



... the best of the best of the Northwest.

WALLA WALLA CITY COUNCIL

Work Session Agenda

November 15, 2021 - 4:00 p.m.

Limited seating will be available for public attendance. Attendees must wear face masks or face shields to attend. Live video and audio stream of the meeting is available on the City's website at <https://www.wallawallawa.gov/government/city-council>. Members of the public also may attend this regular Work Session by using this [Zoom meeting link](#) or by calling 253-215-8782 and entering meeting ID 836 2481 9743#.

Mission: Dedicated to enhancing the quality of life in Walla Walla.

1. CALL TO ORDER

2. ACTIVE AGENDA

- A. **30 Mins.** Community Paramedic Program. Report by Deputy Fire Chief Eric Wood and Community Paramedic Cody Maine.
- B. **45 Mins.** 6-Year Capital Facilities Plan Presentation by Mike Laughery, Capital Programs Engineer
- C. **45 Mins.** Recommendations for the 2022-2027 Water and Wastewater Financial Plans. Presentation by Chris Gonzalez, FCS Group.

3. OTHER BUSINESS

4. ADJOURNMENT

Values: Service, Integrity, Collaboration, Equity, Leadership, and Community

The City of Walla Walla complies with Title VI, ADA, and other applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, religion, veteran status, sexual orientation, gender identity, or sex.



ar-4420

30 Mins.

City Council - Work Session

Meeting Date: 11/15/2021

Item Title: Community Paramedic Program

Submitted For: Eric Wood, Fire/Ambulance Department

Add'l Contributors:

Project No:

Funding/BARS No.:

Financial Comments:

N/A

Information

HISTORY:

The Walla Walla Fire Department Community Paramedic Program was created in May of 2021. The funding for the program, through a partnership with Population Health, provided for a one year trial period.

POLICY ISSUES:

N/A

PLAN COMPLIANCE:

STRATEGIC PLAN: Strategic Initiative 3 - Mid Term : Develop a strategic communications plan.

Objectives

1. Tell our story
2. Prioritize needs
3. Build relationships - Neighborhood and business engagement, Community Oriented Policing (Council Ward Patrol Officer)
4. Create two-way engagement

Strategic Initiative 5 - Mid Term : Achieve organizational and city resiliency

Objectives

1. Long-term financial planning - for the organization (Short Term)
2. Organizational succession planning (Short Term to develop)
3. Environmental resiliency planning and preparation (Long Term)
4. Emergency Management planning and preparation (Long Term)

ALTERNATIVES:

N/A

Attachments

Community Paramedic Presentation

WW Alliance for Homeless Support Letter

Trilogy Support Letter

October CM Update

WWFD Community Paramedic Program Update

CITY OF WALLA WALLA

CITY COUNCIL WORK SESSION

NOVEMBER 15, 2021



Cody Maine, Community Paramedic

Hired March 1, 2007

Community Paramedic
Start Date: May 3, 2021

Providence St. Mary
Population Health

Thank you to:

City of Walla Walla's
administration

City of Walla Walla Fire
Department's
administration

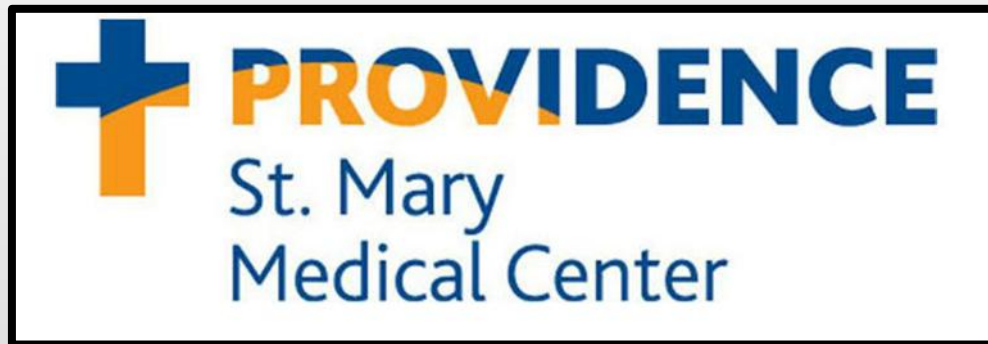
I have been told that I have a face for radio!



Community Paramedic Mission Statement:

**“To provide unique care
and solutions for patients
with unique needs.”**

A partnership for better healthcare



Daily Goals:

Meaningfully impact people's lives.

Show grace and respect to those in my care.

Do not take anyone's dignity, they have probably already given it away.

Simple solutions are generally the best solutions.

Assist co-workers in situations that can help reduce the stress of shift work.

Build rapport and gain trust of uniquely challenging patient.

Just do good.

Program Goals:

- Show that community paramedicine is a unique and meaningful form of medicine.
- Meeting people where they are at physically, emotionally, mentally and genuinely.
- Relieving some of the burden from engine companies, medic units and emergency department.
- Being an advocate for the patient while balancing the stewardship of emergency resources and services.

Program Goals:

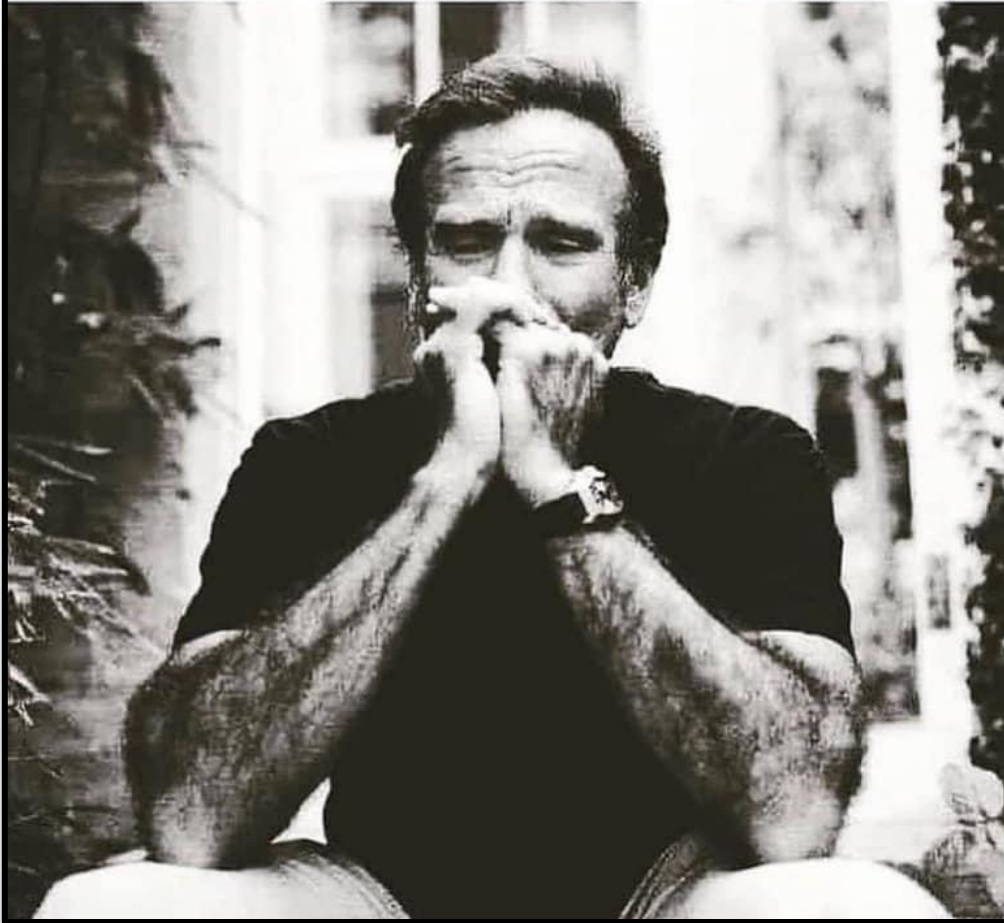
- Provide an appropriate and agile response that more traditional EMS responses are not able to provide.
- Act as a liaison between the Walla Walla Fire Department and local social service agencies.
- Act as a pathway of information to WWFD members regarding local trends and frequent utilizers.
- Provide crews with a clear care plan for uniquely challenging patients.

Where do we start?



Maslow's hierarchy of needs

"Everyone you meet is fighting a battle you know nothing about. Be kind. Always." ~ Robin Williams (1951-2014)



**Important
reminder
for us all.**

Traditional EMS vs. Mobile Integrated Health (MIH)

Traditional EMS

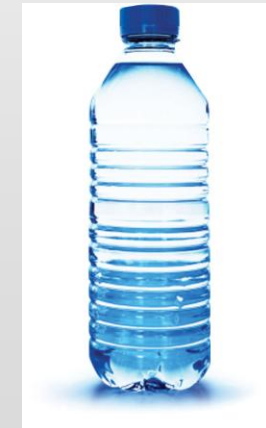
- Two staff members
- Time management
 - Quick and Efficient
- Limited to Transporting to PSMHC Emergency Department
- Expensive equipment required



Traditional EMS vs. Mobile Integrated Health (MIH)

Mobile Integrated Health

- One staff member
 - More appropriate
- Time management
 - Not as time sensitive
- Secondary destinations
 - Urgent Care
 - Primary Care Providers
 - Comprehensive Healthcare
- Inexpensive basic needs





Mobile Integrated Healthcare

PSMMC Bus Stop on Poplar St.

11/04/2021

Current Case Load, as of October 2021

- **27 Patients**
 - **50% Acute/Chronic medical**
 - **50% Mental Health i.e., Schizophrenia, Bipolar, Substance Use Disorder**
 - **Private residences**
 - **Unhoused**

Statistics Snapshot

	MIHs	Avg per MIH (mins)	Time on Scene (hours)
May	18	40.8	12.23
June	54	30.4	27.35
July	54	31.7	28.55
August	42	30.1	21.1
September	52	33.8	32.2
October	89	34.7	51.5
Totals	309	32.5	172.93

Return on investment to PSMMC

Avoidable ED Diversions: referred to a more appropriate resource

- Urgent care, Primary Care Provider, Shelter, Food Bank, MHP, etc.
- \$2,400, Conservative estimate per ED diversion
 - No studies, medications, treatments, interventions

76 Avoidable ED Diversions in first six months

- \$182,400

Original grant amount \$110,000 from PSMMC

- \$72,400 savings to PSMMC

Benefits to the City of Walla Walla

- Provides a more agile and appropriate response to many low acuity calls.
- Makes other limited resources available for emergent needs.
- Provides once missing information to members to better treat and care for our most challenging patients.
- Facilitates networking between many available social service organizations.
- Addresses missing component to the Community Risk Reduction plan for survey and rating.

Benefits to the City of Walla Walla



- Lives up to the city's Mission Statement:
 - "We provide municipal services and programs essential to a desirable community in which to live, work and play."
- Lives up to the city's values of:
 - Customer Focus/Service
 - Excellence
 - Stewardship
 - Communication
 - Leadership
 - Integrity

Current Limitations

- **One Community Paramedic covering 40 hours per week**
 - More than enough work for multiple community paramedics.
 - Certain areas of MIH have yet to be addressed.
 - 40 hours is not enough time to complete all the work there is.
- **No ZOLL X Series Cardiac Monitor/Defibrillator**
 - This is a desperately missing piece of equipment.
 - Sometimes must request medic/engine responses to use their ZOLL.
 - Will be presenting for purchase of Monitor/Defibrillator at December Council Meeting.

Goals/Future Growth/Programs

- **Welfare Checks**
 - WWPDP reports 1500 per year
- **Cardiac Patient post-discharge follow ups**
 - Congestive Heart Failure
 - Acute Myocardial Infraction
- **Community Education programs**
 - ACTs (Antidote, Compressions, Tourniquets)
 - USA Mental Health First Aid
 - QPR (Question Persuade Refer)
 - Disease specific education
- **Long lasting injectable medications**
 - Antipsychotics and Substance Use Disorder



Goals,
Future Growth,
Programs

Service Dog program

Current Trends County and State

Walla Walla County

- Behavioral Health Assessment
- DOH REAT Grant \$377,000 (Rural Equality Advisory Team)

Washington State

- HB 1477 Implementation of national 988 system and expanded behavioral health crisis response and suicide prevention services
- HB 1310 changes to law enforcement responses

Population Health Fall Prevention

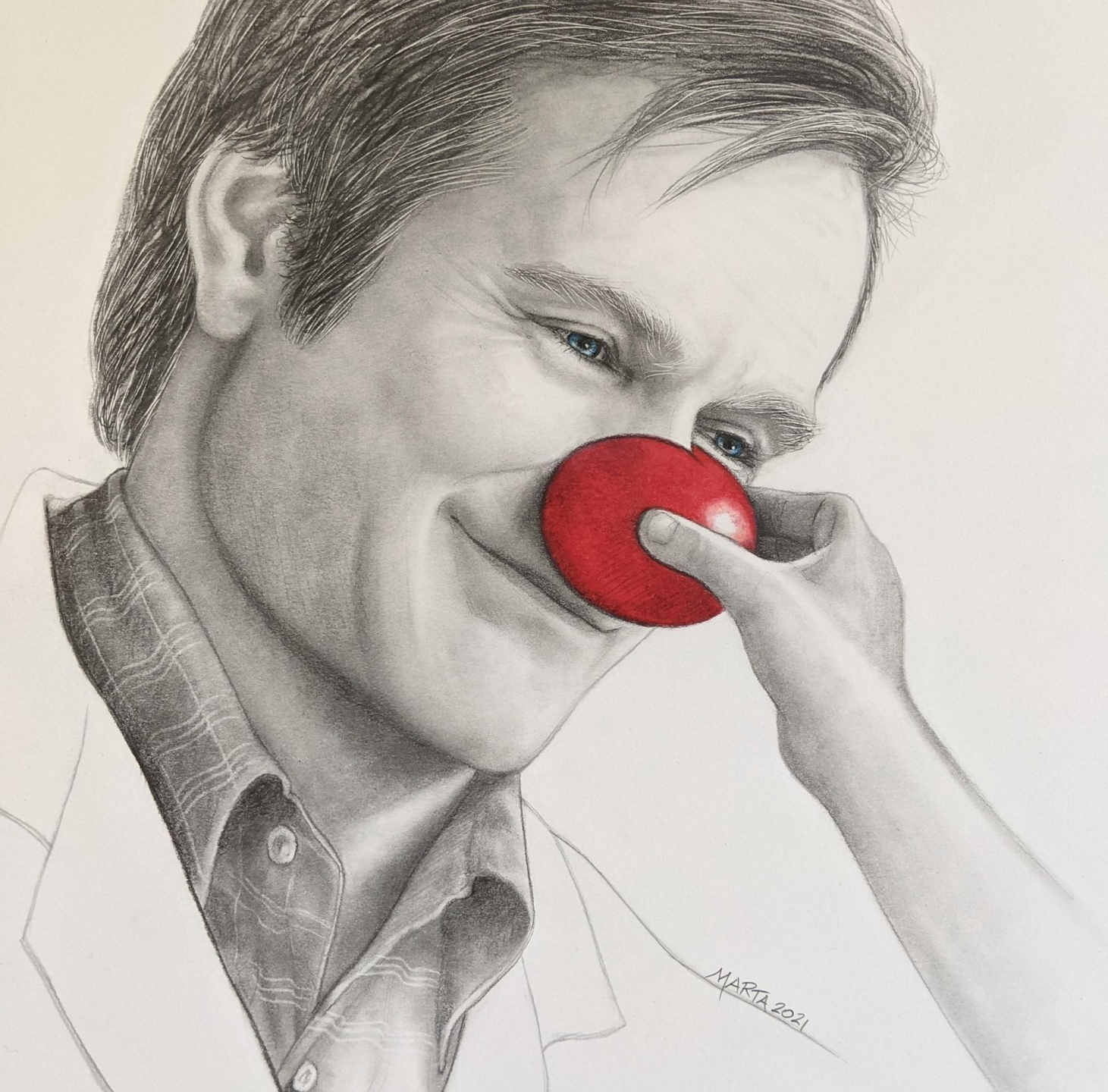
- \$100,000 grant heavily relies on WWFD as a referral service through the community paramedic

Community Paramedicine is only limited by?

IMAGINATION!

Imagination is only limited by?

FUNDING!



“You treat a disease, you win, you lose. You treat a person, I guarantee you, you’ll win, no matter what the outcome.”

Patch Adams

Questions?





Walla Walla Alliance for the Homeless

P.O. Box 3431, Walla Walla, WA 99362

www.w2ah.org

Walla Walla City Council
15 N 3rd Ave
Walla Walla, WA 99362

Dear Council Members,

I'm writing in hopes to present my resounding support for the recently piloted community paramedic program, and more specifically my support for Cody Maine. Over the recent months in service to this community, I have watched him strengthen and develop his role. He has proven himself and this program to be an irreplaceable asset to this community, especially those who are often underserved,

In my role leading the Alliance and serving the homeless population in Walla Walla I have the privilege interacting with a group of people who often find their medical care in the Emergency Department. If not there, then at the local Urgent Care. Through the hard work of Cody and the community health workers from Population Health we see this group receiving direct care in ways that keep them from using these over leveraged resources. This in turn lowers costs to taxpayers, and lessens work loads in our already busy ED's.

Cody, and people like him, fill what was once a gigantic void within our community medical care services. For those on the outer margins of society, Community Paramedics step into that vacuum and offer proper care. Whether through response to non-emergency calls, regular check-ins on those who are engaged with them, delivery of prescription medications, or through the hand off from the standard EMT's. When executed as Cody does, this role can be integrated in such a seamless way, as he has already proven. Beyond response to emergency calls, Community Paramedics like Cody succeed through a willingness to be a listening ear, an advocate, a support, and a mentor to those in need.

I believe the Community Paramedic program is one stellar example of how Walla Walla is working to be ahead of the curve. Collaboration of services is the path forward as we push toward success. This program serves to be an invaluable bridge across the great divide between our marginalized populations and access to proper care. We would be foolish to allow anything to jeopardize the future of such a necessary service. I for one stand in full support of this program and the incredible work it has already done.

All the best,

Jordan Green,

Executive Director
Walla Walla Alliance for the Homeless
(509) 240-5647
jordan.green@w2ah.org



11.04.2021

City of Walla Walla

ATTN: Ladies and Gentlemen of Walla Walla City Council

I am respectfully approaching the Council to speak on behalf of the Community Paramedic Program.

The Community Paramedic Program was first funded one year ago. Cody Maine embodies the spirit of the Program and the Fire Fighters and EMTs of our community. Their dedication to serve and to assist members of our community enhances the overall health of everyone in Walla Walla. They see first hand, and on a daily basis, the impacts of adverse childhood experiences, mental health challenges, substance misuse, poverty, age and ill health, and all of these challenges variously combined. Their interventions ameliorate the health reductive impacts on our community. The mobilization of integrating healthcare and community paramedics is a unique and valuable addition to behavioral healthcare providers and advances one step further, one person at a time, community resilience and health.

I have been a behavioral health care provider in both public and private practice settings in Walla Walla for 14 years. I know first hand the social work that needs to be done in our community on a daily basis from both personal/professional experience, as well as vicariously through the good deeds of our local champions, such as Mr. Maine. As the Program Manager for Trilogy Recovery Services, I understand that the road to recovery is not a straight line. But I also have witnessed how recovery brings health to the individual and to the community in the form of reduced E.R. visits and cost, reduced emergency calls, and increased employment (and the reduction of homelessness) that brings revenue to the community.

The continued funding of the Community Paramedic Program benefits everyone in our community. I encourage you to consider refunding it.

Respectfully,

Oliver A. T. Birchwood-Glover, LICSW

Oliver A. T. Birchwood-Glover, LICSW

Program Manager

Community Paramedic

Overall Status: **Good**

Community Paramedic Pilot Program: October 2021 Update

Date: 11/02/2021

Status Code Legend

- On Track: Project is on schedule
- High Risk: At risk, with a high risk of going off track
- At Risk: Milestones missed but date intact
- Off Track: Date will be missed if action not taken

<p>The project is Good 10/01/2021-10/31/2021, due to the following:</p>	<ul style="list-style-type: none">● My general impression of the WWFD / PSMC Population Health Community Paramedic Pilot Program remains GOOD!● Both PSMC Population Health and WWFD administration continue to be receptive to problems and reasonable solutions.● EPIC/EDIE access has been invaluable in being able to access pertinent information regarding patient histories and treatments. Having access to EPIC/EDIE should be included in the allowances to all future Community Paramedics.● Multiple county and state level meetings regarding behavioral health attended. These meeting provide very useful insight and valuable networking time.
<p>Issues:</p>	<ul style="list-style-type: none">● No cardiac monitor available for Community Paramedic to utilize. I understand this is a large capital purchase that was not budgeted for. The presence of a cardiac monitor would make this position much more dynamic in the event of multiple emergency calls and patient evaluations. Quotes have been obtained from both Zoll (\$37,000) and Lifepak 15 (\$28,000). This is a limiting factor to the type of calls and evaluations that can be completed by the Community Paramedic. Having a full complement of ALS equipment would make this position much more dynamic in the types of calls and Mobile Integrated Health visits that can be completed.● Update on above item: Scheduled to be placed on the council agenda for a December 2021 meeting. If approved for purchase and the Community Paramedic Pilot Program be disbanded, this Zoll X Series can be placed on Engine 3912 to replace the AED.● Current case load is 27 patients who have been classified as a high utilizer of 911 and ED services or have unique social barriers best served by a Community Paramedic rather than a Community Health Worker. I feel that this current number of patients are proving to be reaching my capacity to not only perform the MIH visit, but refer or provide treatment, document the visit, and provide follow up with the patient. With the goal of providing high-quality service to our customers, I have reached a point where this case load is at a max.● I have found that additional time is needed. Simply put, 40 hours a week often does not allow for enough time to complete the required work for this number of patients. Overtime has been requested to get caught up on outstanding work on a couple of occasions. Lunch breaks are often forgone to provide for additional time to complete work.● The model for our program is Bellingham Fire Department. The two Community Paramedics employed by BFD both have a case load of approximately 24 patients. These Community Paramedics however ride with social/case workers who attend to the case management aspect.

	<ul style="list-style-type: none"> ● Further compounding the issue of available time is the number of local meetings involving local and state behavioral health issues, trends, and efforts to address this increasingly hot topic. I feel that these meetings are important and attending them provide valuable networking time with other local organizations. ● I believe there is certainly enough work to keep multiple Community Paramedics occupied. This is still without addressing such desired areas of Mobile Integrated Healthcare such as cardiac patient discharge due to the absence of cardiac monitoring. Chronic mental health conditions such as schizophrenia and substance use disorder being managed with long-acting injectable medications to ensure proper and ethical treatments. ● Another area Community Paramedics could play an important role would be serving as a liaison between the Walla Walla Fire Department and Providence with regards to fall prevention. ● Additional Community Paramedics would allow for more community outreach programs and education to be completed. I see this as a critical area of improvement when pursuing a community risk reduction program. ● Lack of Know Box in Jeep which creates a barrier that makes accessing many residentially occupied buildings difficult. Many citizens who would benefit from the community paramedic program reside in these buildings. ● Update on above item: Purchase has been approved waiting for shipment and installation of device.
Milestones accomplished this month: 10/01/2021-10/31/2021	<ul style="list-style-type: none"> ● Six months of the 12-month Community Paramedic Pilot Program has been completed. ● October was extremely busy with 89 patient contacts/MIH visits completed. ● October, 51.48 hours logged on scene with patients addressing their concerns, social barriers, health concerns outside of the traditional EMS and ED settings. This is time Walla Walla Fire Department resources are available for more emergent needs, able to attend trainings, perform other needed tasks, i.e., equipment maintenance. I believe the presence of a Community Paramedic who works with and helps manage some of the more stressful patients in our system also provides for increased moral with the Walla Walla Fire Department. ● 76 ED diversions through first 6 months. Figured at a minimal savings of \$2,400 to PSMMC per diversion this figures to be \$182,400. After subtracting the original grant amount of \$110,000, PSMMC's return on investment is \$72,400 minimum. ● Columbia Southern University's Community Paramedic Education Program half completed. ● Three patients successfully moved into inpatient psychiatric facilities to get the assistance they need to lead happier and healthier lives. ● Successfully enrolled into a National Fire Academy Community Risk Reduction class. Inspector Thompson and I will be attending this class December 1-2, 2021, in Pasco WA.
Milestones planned this week, but not achieved with variance:	<ul style="list-style-type: none"> ● Get caught up on case management and administrative duties. ● Complete Unit III of Columbia Southern University's Community Paramedic Education Program. ● Prepare presentation for City Council work session on 11/15/2021. ● Applied for consideration to First Responder Sub Committee as required by WA HB 1477 (Implementing the national 988 system to enhance and expand behavioral health crisis response and suicide prevention services).
Milestones planned for next week:	<ul style="list-style-type: none"> ● WWCC Ride-A-Longs RN students on community health rotation. ● 4 Patient discharges from Community Paramedic Program ● 3 Patient enrollments into Community Paramedic Program

<p>Areas/questions for discussion:</p>	<p>General impression of program from stakeholder, are we meeting their expectation? If not, what do we need to do? General impression of WWFD administration staff, am I meeting their expectation? If not, what do I need to do? Questions or concern from shift personnel? Continued funding? Addition of another Community Paramedic? More discussion with Population Health regarding the possible use of injectable antipsychotic medications by community paramedic for patients who are non-compliant with oral medications.</p>
<p>Story of success:</p>	<p>This was an extremely busy and frustrating month. It just so happened to work out that I had several patients, I was informed of, who suffer from profound mental health conditions. One of these patients has been in crisis off and on throughout the last several months.</p> <p>This patient has been placed on involuntary mental health holds twice in recent months. I was somewhat familiar with this patient from a couple of previous encounters. They suffer from bipolar disorder and recently had an onset of mania. I started seeing this patient by making MIH (Mobile Integrated Health) Visits to this patient's home. They were obvious in crisis and had a declining psychological condition due to their history of bipolar and not being properly medicated. Their mental status was further complicated by a significant change in the status of a long-term relationship.</p> <p>I visited this patient multiple times and was able to build a rapport with this patient that a more traditional EMS response wouldn't allow for. Over the course of these visits, I was able to gather needed information and insight not available to primary care providers and staff at the emergency department. I spent approximately 7 hours with this patient working with them to meet with their primary care provider. I was able to utilize a community health worker and a social worker through PSMMC to assist me in caring for this patient and working through their crisis.</p> <p>I attempted to use Adult Protective Services and Comprehensive Healthcare in the process of working with this patient. These were incredibly disheartening experiences. I learned a lot about the limitations our crisis response system has and was able to start a conversation on a local scale about them.</p> <p>As luck would have it, Washington State and Walla Walla County has recently started reevaluating their crisis response systems. I was able to share the examples from this situation on a public scale to hopefully highlight the need for legislative reform to better serve those suffering from acute and chronic mental health conditions.</p> <p>I am happy to report that this patient was transferred to a specialized facility to obtain the help they desperately needed. I look forward to this patient's return to the community and the opportunity to continue working them in my unique and fulfilling role as the Community Paramedic for the Walla Walla Fire Department.</p>

Contact Information

Cody Maine
Community Paramedic
Office: 509-524-4667
Mobile: 509-730-6031
Email: cmaine@wallawallawa.gov

Project Abstract

The Community Paramedic program is a one-year pilot program between Providence St. Mary Medical Center Population Health and the City of Walla Walla Fire Department. Funding was provided by Providence to address frequent and unneeded Emergency Department visits. This program is being viewed as a better way to use available resources in both the prehospital (EMS) and Emergency Department and providing a suitable level of care for non-life-threatening conditions. The goal of WWFD's Community Paramedic program is to find unique solutions for unique problems.

WWFD Community Paramedic Program

Mission Statement

"To provide unique care and solutions for patients with unique needs."



"We do this for others."



ar-4253

45 Mins.

City Council - Work Session

Meeting Date: 11/15/2021

Item Title: 6-Year Capital Facilities Plan Presentation

Submitted For: Mike Laughery, Public Works Department, Engineer Capital Programs

Add'l Contributors:

Project No:

Funding/BARS No.:

Financial Comments:

The 6-year Capital Facilities Plan outlines capital projects and estimated costs over the next six years (2022-2027).

Information

HISTORY:

Council will be asked to hold a public hearing for adoption of the plan at the December 1, 2021, regular Council meeting. This work session provides Council an opportunity to comment upon projects planned for 2022 and 2023 (the financially constrained years of the plan).

The Capital Facilities Plan (CFP) is to be financially constrained and fit within forecasted revenues or other reasonable funding sources. The proposed CFP includes an introduction/background to each area and then progresses into the financial planning aspects of the CFP. This update is for the six-year term of 2022-2027 and is intended to be updated yearly thereafter. The previous Capital Facilities Plan (2021-2026) was adopted under Ordinance 2020-45.

The six-year capital facilities plan is amended annually as part of with the city's budget adoption/amendment process. With each update, new projects are added to the plan and completed projects are removed.

Table 1 below provides a list of projects completed or expected to be completed in 2021. These projects are no longer listed on the proposed 2022-2027 CFP.

Table 1 - Removed Projects

Category	Project Name
Transportation	Howard and Chestnut Intersection – Alternatives Analysis
Transportation	Rose & 3rd Intersection Bridge Replacement Project
Transportation	CDBG Project – 12th Avenue/Lowden
Transportation	Citywide Pedestrian Safety Treatments
TBD	Plaza Way TBD – 9th Avenue to Village Way
IRRP	Penrose & Alvarado IRRP
Water	Sumach & Sturm Water Main Upgrades

Water	Hydro Generator 5-year Maintenance
Water	Risk & Resilience Emergency Response Plan/Wells Master Plan
Water	Water Shop Structural Retrofit and Re-roof
Water	Water System Financial Planning Update and Cost of Service Analysis
Wastewater	Study to Re-Rate Treatment Plant Capacity
Wastewater	Wastewater System Financial Planning Update and Cost of Service Analysis
Stormwater	Service Center Shop Oil/Water Separator
Stormwater	S. 4th/Donald & Kenneth Stormwater Improvement Project
Stormwater	Spokane and Sumach Stormwater Separation Project
Stormwater	Culvert Crossing Replacement – Bryant Creek at S. Palouse Street
Stormwater	Stormwater System Financial Planning Update

Table 2 below provides a list of 2021 projects that are in process and fully funded. As such, these projects are not listed on the proposed 2022-2027 CFP.

Table 2 - In-process Projects

Category	Project Name
IRRP	Park Street – IRRP/TBD
Wastewater	Spring Terrace Pump Station Upgrade
Landfill	Comprehensive Solid Waste Management Plan
Parks & Recreation	Vista Terrace Park – Playground

Table 3 below provides a list of 2021 projects that have been delayed or canceled including a brief explanation for the delay/cancellation. If the project has been canceled, it has been removed from the proposed 2022-2027 CFP. If it has been delayed it will be listed in the associated year.

Table 3 - Delayed/Canceled Projects

Category	Project Name	Reason
TBD	Alder/Poplar TBD – Merriam to Colville	Delayed to 2022 due to design changes and right-of-way negotiations.
TBD	TBD Pavement Preservation	Delayed due to establishment of pavement management program. Priority segments to be assessed.
Water	Well #6 Cleaning	Delayed to 2022 due to lack of contractor availability.
Water	Hydro Controls Upgrade Project	Delayed to 2022 due to consultant scheduling constraints.
Water	Mill Creek Road Utilities Adjustment	Walla Walla County delayed the project to 2022.

Water	Water Shed Fuel Reduction Program	Delayed due to drought and surface conditions in water shed.
Water	Fish Ladder Reconstruction at Intake	Delayed to 2022 due to environmental permitting constraints.
Water	Well 5 Sanitary Control Area	Bundled with Aquifer Storage and Recovery (ASR) grant project as a time/cost savings measure. Project scheduled for 2023.
Wastewater	WWTP – Trickling Filter Clarifier Conversion to Industrial Waste Holding Tank	Bundled with other WWTP projects slated for construction in 2022.
Stormwater	S. 4th Ave. to Garrison Creek Outfall Replacement Project	Bundled with other projects as a time/cost savings measure. Construction scheduled for 2022.
Landfill	Compost and Leachate Pond Leak Testing	Delayed to 2022 due to drought conditions.
Facilities	City Hall Roof Repair/Rehab	Delayed to 2022 due to contractor availability.
Facilities	Service Center - Fuel Tank Replacement & Fueling Island Pollution Control Upgrades	Delayed to 2022 due to material availability.
Facilities	Senior Center – Parking Lot Resurfacing	Delayed to 2022 to utilize American Rescue Plan Act (ARPA) funding.
Parks & Recreation	Pioneer Park Garden Center Roof Replacement and Exterior Repair	Delayed to 2024 to be part of a wholistic remodel of the structure.

Table 4 below provides a list of 2022 project that are dependent upon outside grants or private funding prior to initiation and/or completion.

Table 4 - Grant Dependent Projects

Category	Project Name
Transportation	Myra Road South Extension – SR125 to Taumaron
Transportation	School Avenue Sidewalk Project
Transportation	Cottonwood Road Pedestrian Bridge
Transportation	Tietan – ADA Sidewalk/Ramps to 4th Avenue
Transportation	Mill Creek Bridge Removal at 5th & 6th, Replacement at 4th Avenue
TBD	Plaza Way TBD – Village Way to Taumaron Road
TBD	Pine Street TBD – 2nd Avenue to 9th Avenue
TBD	School Avenue – Pleasant Street Intersection Realignment
Water	Tank Seismic Evaluation

Water	Community Wildfire Protection Plan – Five Year Update
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Table 5 below provides a list of projects scheduled for 2022.

Table 5 - 2022 Projects

Category	Project Name
Transportation	1st Avenue Pedestrian Plaza Improvements
Transportation	6th Avenue Bridge Public Outreach
Transportation	ARPA Tree Removal/Maintenance Project
TBD	Alder/Poplar TBD – Merriam to Colville (Postponement from 2021)
TBD	Poplar TBD – Colville to 5th
IRRP	Cookerly Drive IRRP
Water	Well #6 Cleaning (Postponement from 2021)
Water	Hydro Controls Upgrade Project (Postponement from 2021)
Water	Fish Ladder Reconstruction at Intake (Postponement from 2021)
Water	Mill Creek Road Utility Adjustment Project, Walla Walla County Project (Postponement from 2021)
Water	Mill Creek Road Utility Adjustment Project, Umatilla County Project
Water	Clinton Street Booster Fire Alarm System
Water	Water Treatment and Intake Roofing Projects
Water	Water Treatment Plant Cyber Security Upgrades
Water	Clinton Street Tank Repair
Water	WTP General SCADA Improvements
Water	Water Treatment Plant and Watershed Master Plans
Wastewater	2022 – Sewer Main Replacement Project
Wastewater	2022 Sewer CIPP Project
Wastewater	WWTP – Phase 1 Plant Upgrade Project
Stormwater	S. 4th Ave. to Garrison Creek Outfall Replacement Project (Postponement from 2021)
Stormwater	N. Clinton Street, north of E. Sumach Street Stormwater Imp. Project
Landfill	Compost and Leachate Pond Leak Testing (Postponement from 2021)
Landfill	Financial Plan Update
Landfill	Sudbury Entrance Pavement Reconstruction and Compost Pad HMA Restoration/Rehabilitation
Landfill	Fill Plan Update
Facilities	City Hall – Parking Lot Preservation
Facilities	Service Center - Fuel Tank Replacement and Fueling Island Upgrades (postponed from 2021)
Facilities	Senior Center Parking Lot Reconstruction

Facilities	Rose Street Parking Lot (between 2nd and 3rd) Preservation
Facilities	Alder Street Parking Lot (between 1st and Colville) Preservation
Facilities	Park 'n' Shop Park Lot Preservation
Facilities	Birch Street Parking Lot (between 2nd and 3rd) Preservation
Facilities	Poplar Street Parking Lot (between 2nd & 3rd) Preservation
Facilities	Sumach Parking Lot (between Colville & Spokane) Preservation
Fire	Fire Engine Replacement
Parks & Rec	Pioneer Park Ponds – Retaining Wall Evaluation
Parks & Rec	Heritage Park – Central Plaza Construction (Design 2021, Const. 2022)

A public hearing notice was issued on October 8, 2021, for the public hearing before the Planning Commission on the proposed six-year capital facilities plan. The hearing notice was posted on the City's website and published in the Union Bulletin.

On November 1, 2021, a public hearing was held before the Planning Commission. No public comments were received. The planning commission unanimously recommended approval of the 2022-2027 Capital Facilities Plan. Since the planning commission public hearing, some project scheduling were made to address staffing workload and availability. [Click here for a complete copy of the Planning Commission Report.](#)

POLICY ISSUES:

A capital facilities plan is a required comprehensive plan element pursuant to RCW 36.70A.070(3) and WAC 365-196-415. The minimum required is a six-year plan that will finance such capital facilities within projected funding capabilities and the plan is to clearly identify sources of public money for such purposes. Furthermore, a capital facilities plan provides the ability to plan for and budget for various programs and projects. The City's six-year capital facilities plan identifies various projects related to transportation, utilities, parks, and general city facilities. The City's 2022-2027 Capital Facilities Plan meets these requirements.

PLAN COMPLIANCE:

STRATEGIC PLAN:

Strategic Initiative 2: Fix and Improve the City's Infrastructure.

Objectives

2. Continue work on the City's Transportation Network (e.g. streets, sidewalks, bridges, etc.)
4. Maintain City Buildings and Facilities

Strategic Initiative 5: Achieve organizational and city resiliency

Objectives

1. Long-term financial planning - for the organization (Short Term)
3. Environmental resiliency planning and preparation (Long Term)
4. Emergency Management planning and preparation (Long Term)

COMPREHENSIVE PLAN:

See the attached staff report to the Planning Commission for the comprehensive plan analysis.

ALTERNATIVES:

Remand back to the Planning Commission for further discussion.

CITY MANAGER COMMENTS:

Approved for Council work session discussion.

Attachments

Presentation

CITY OF WALLA WALLA 2022-2027 CAPITAL FACILITIES PLAN



City Council Work Session Presentation
November 15, 2021

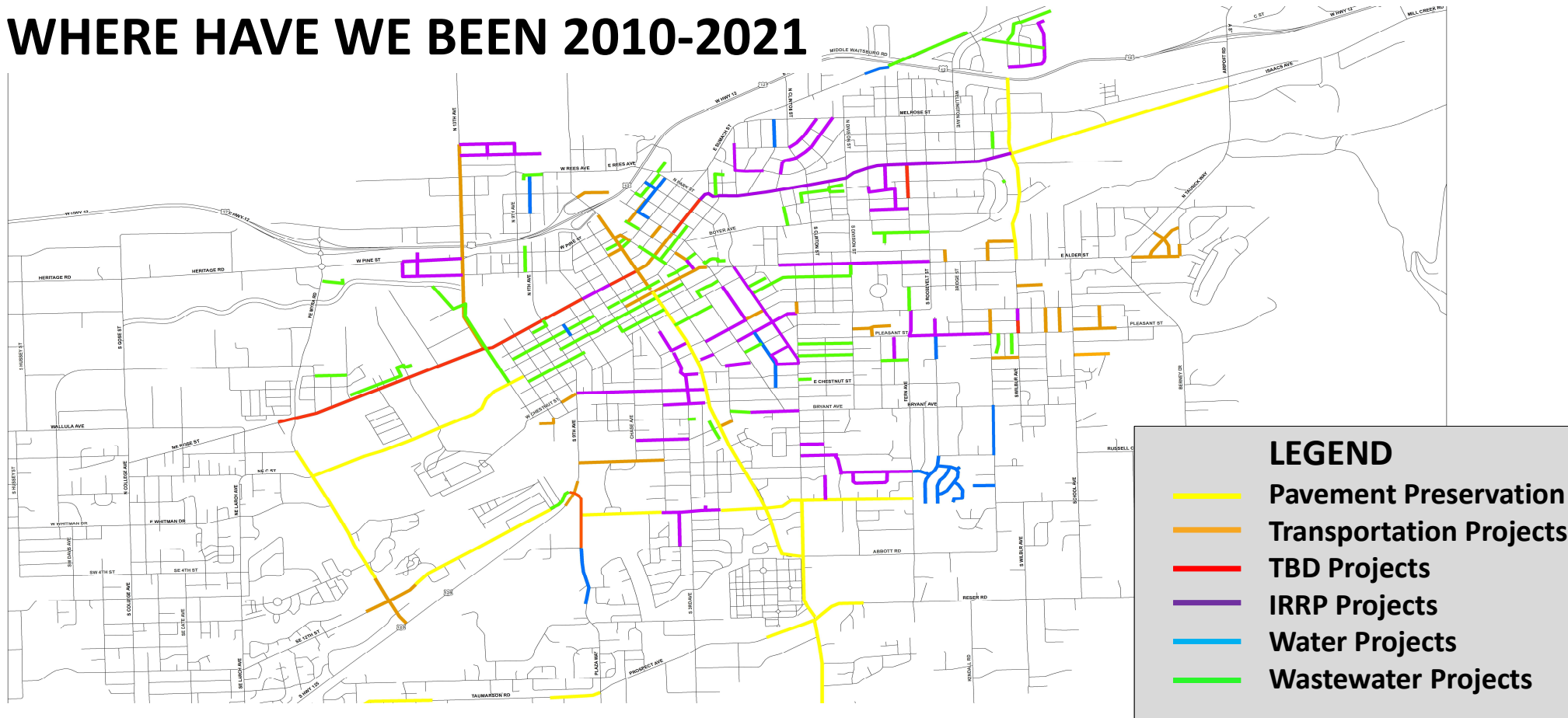


PRESENTED BY:
MIKE LAUGHERY, P.E. CAPITAL PROGRAMS ENGINEER

AGENDA

- **Where have we been - 2010-2021 Projects**
- **Where are we going - 2022-2023 Projects**
 - **Public Works Projects**
 - **Facility Projects**
- **Financials**

WHERE HAVE WE BEEN 2010-2021



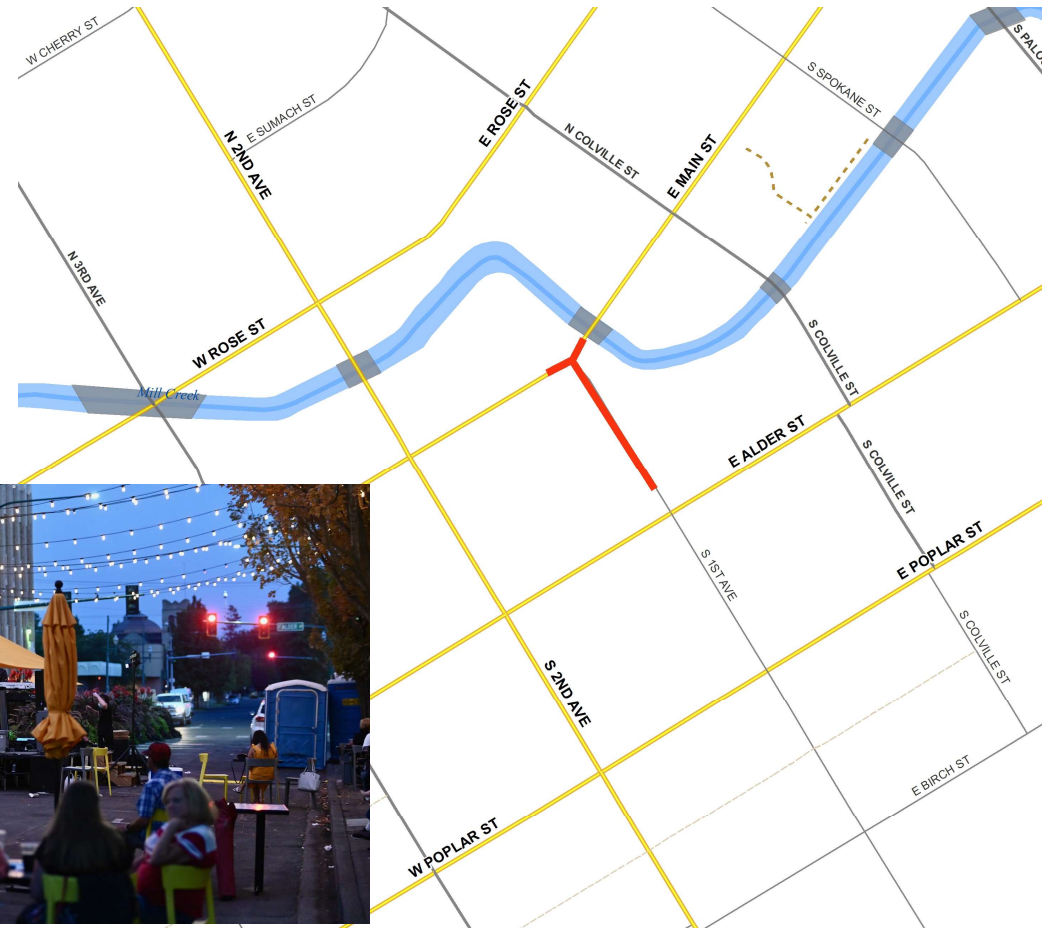
TRANSPORTATION PROJECTS 2022-2023

1ST AVENUE PEDESTRIAN PLAZA IMPROVEMENTS

Project Scope: Conversion of 1st Avenue to permanent pedestrian plaza. Enhance parking at south end. Modify signal at 1st/Main to better accommodate pedestrian crossings.

Cost/Funding: \$500,000 ARPA Funding

Schedule: 2022 Construction



TRANSPORTATION BENEFIT DISTRICT PROJECTS 2022-2023

ALDER/POPLAR: MERRIAM TO COLVILLE

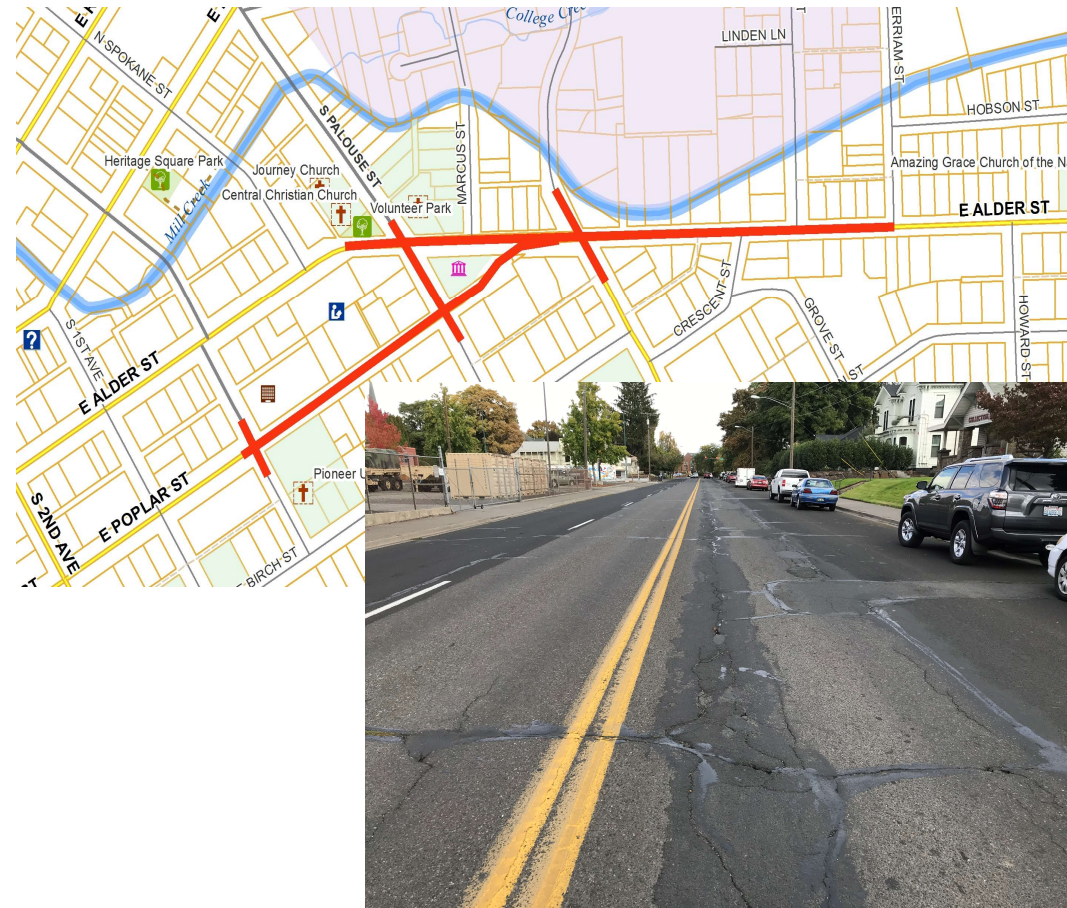
Project Scope: Roadway, utility and intersection improvements.

Cost/Funding: \$7,930,000

- \$5,376,000 Local Funding
- \$2,554,000 Grant Funding

Schedule:

- Construction 2022



TRANSPORTATION BENEFIT DISTRICT PROJECTS 2022-2023

POPLAR TBD: COLVILLE TO 5TH

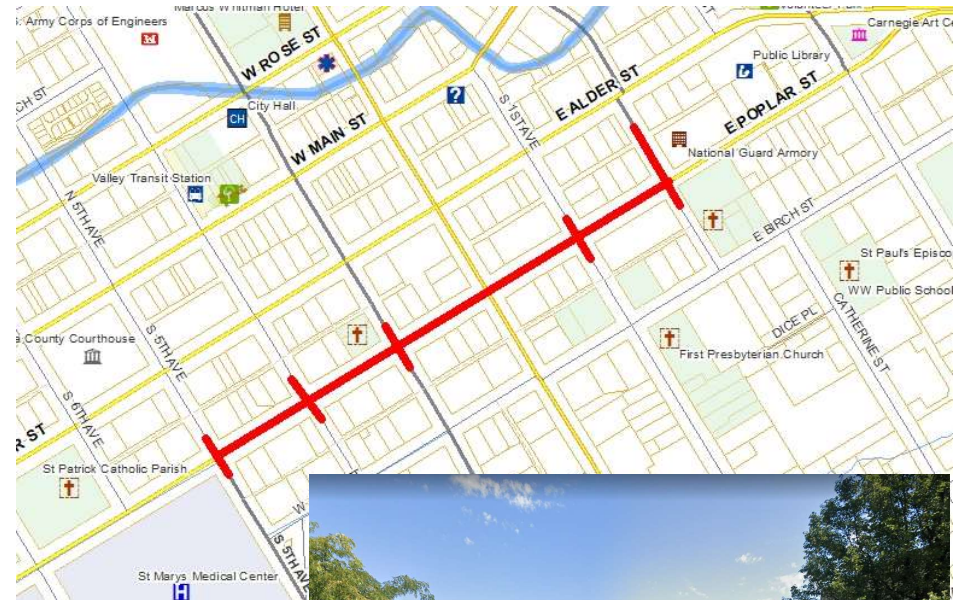
Project Scope: Roadway, utility and intersection improvements.

Cost/Funding: \$6,900,000

- \$3,350,000 Local Funding
- \$3,550,000 Grant Funding

Schedule:

- Construction 2022



INFRASTRUCTURE REPAIR & REPLACEMENT PROJECTS 2022-2023

COOKERLY DRIVE IRRP

Project Scope: Roadway and utility improvements.

Cost/Funding: \$1,137,000

- \$749,000 IRRP
- \$388,000 Water Fund

Schedule:

- Construction 2022



INFRASTRUCTURE REPAIR & REPLACEMENT PROJECTS 2022-2023

BALM-JUNIPER-WOODLAWN IRRP

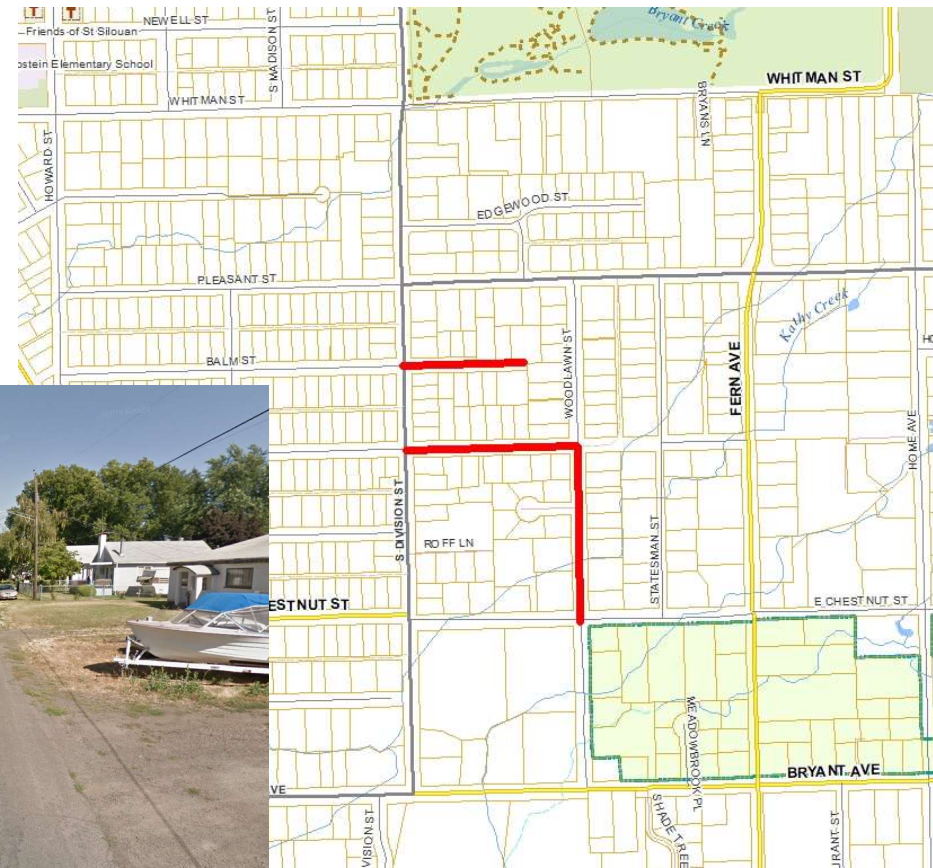
Project Scope: Roadway and utility improvements.

Cost/Funding: \$960,000

- \$817,000 IRRP
- \$143,000 Water Fund

Schedule:

- Design 2021/2022
- Construction 2023



INFRASTRUCTURE REPAIR & REPLACEMENT PROJECTS 2022-2023

CHESTNUT – 2ND TO HOWARD IRRP

Project Scope: Roadway and utility improvements.

Cost/Funding: \$3,300,000

- \$3,120,000 IRRP Fund
- \$180,000 Stormwater Fund

Schedule:

- Design 2022
- Construction 2023





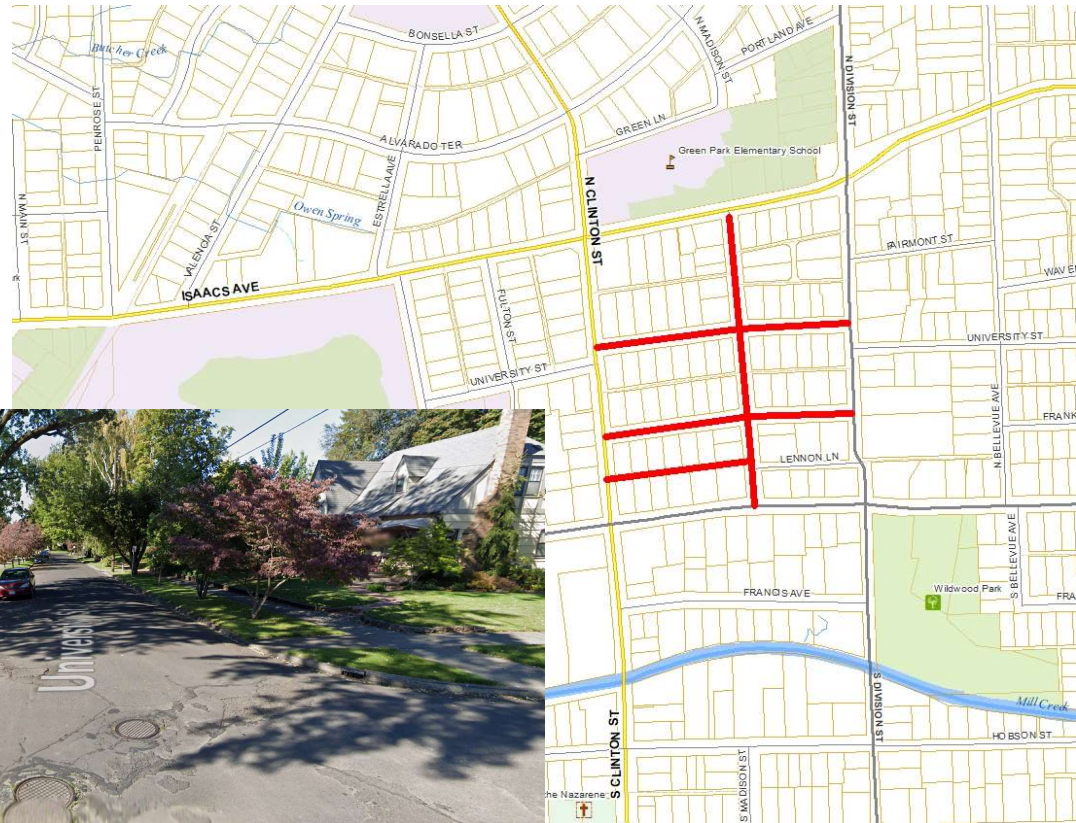
UNIVERSITY-PEARSON-MADISON IRRP

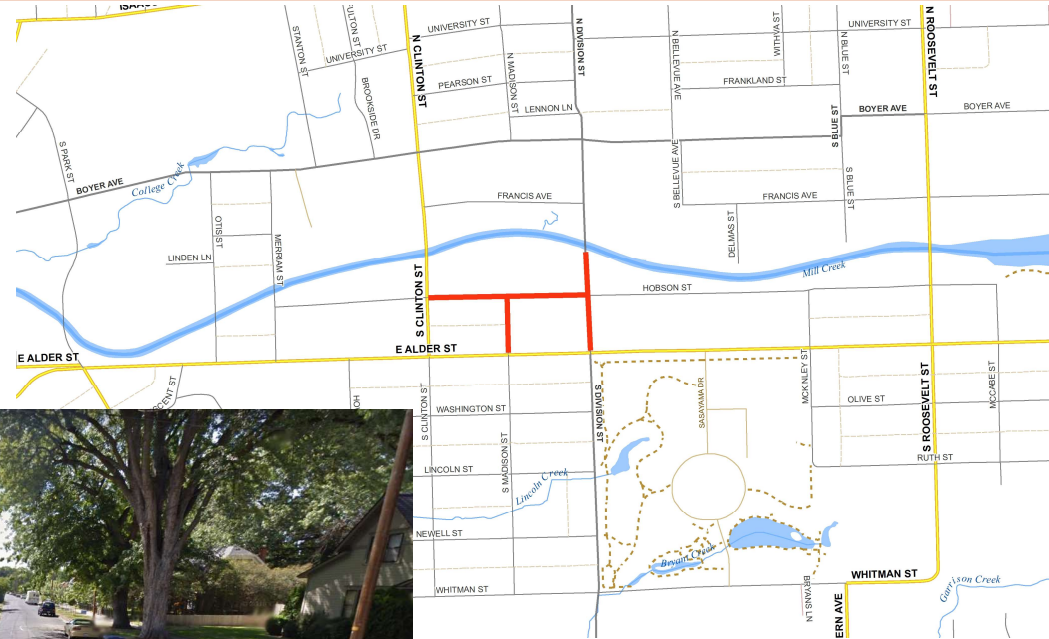
Cost/Funding: \$3,008,000

- \$2,083,000 IRRP
- \$675,000 Water Fund
- \$250,000 Stormwater Fund

Schedule:

- Design 2021/2022
- Construction 2023





WATER SUPPLY/TREATMENT PROJECTS 2022-2023

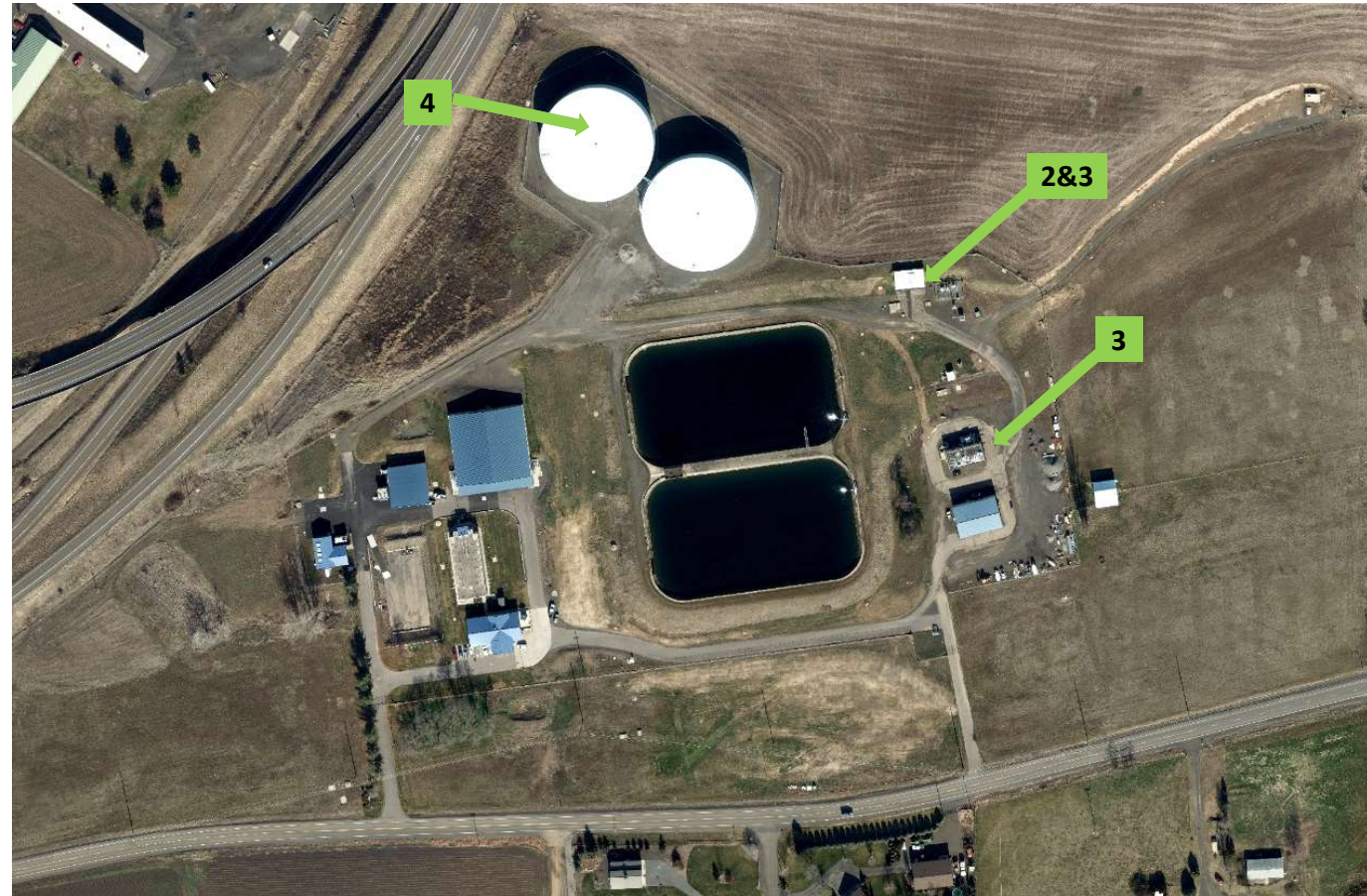
WATER SUPPLY/TREATMENT PROJECTS

Projects:

1. Well #6 Cleaning (2022)
2. Update Hydroelectric Controls (2022)
3. Roofing Projects (2022)
4. Tank – Interior Paint Evaluation (2023)
5. Well #5 Conversion to ASR (2023/2024)

Cost/Funding:

- \$5,038,000 Water Fund



WASTEWATER COLLECTION PROJECTS 2022-2023

2022 SEWER MAIN REPLACEMENT PROJECT

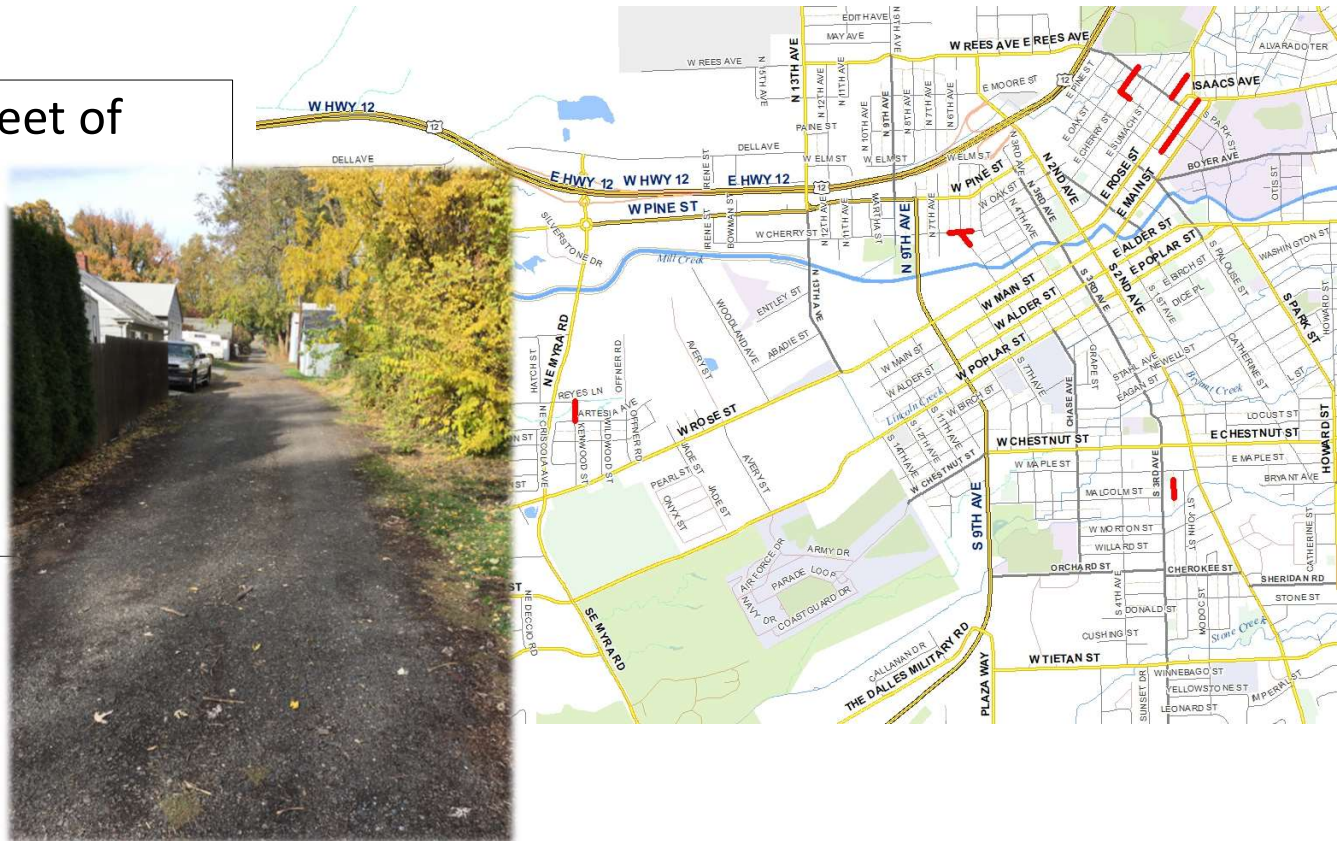
Project Scope: Replaces 2,645 feet of failing sewer mains.

Cost/Funding:

- \$1,200,000 Wastewater Fund

Schedule:

- Construction 2022



WASTEWATER COLLECTION PROJECTS 2022-2023

2022 SEWER LINING PROJECT

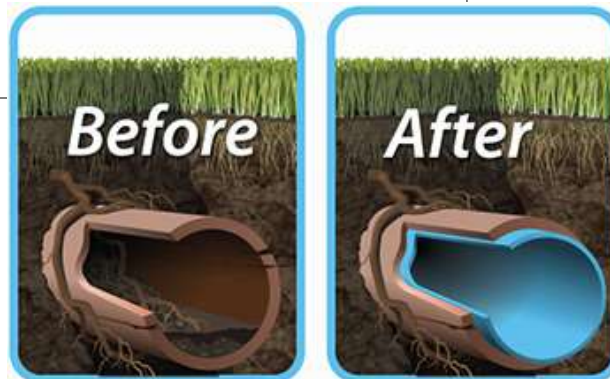
Project Scope: Lines 3,618 feet of trunk sewer main.

Cost/Funding:

- \$976,000 Wastewater Fund

Schedule:

- Construction 2022



WASTEWATER TREATMENT PLANT PROJECTS 2022 - 2023

WWTP PHASE 1 PLANT UPGRADE PROJECT

Project Scope: Replace failing infrastructure and satisfy regulatory requirements for permit compliance.

Cost/Funding:

- \$6,121,000 Wastewater Fund with Public Works Trust Fund Loan.

Schedule:

- Construction 2022



2022-2023 LANDFILL PROJECTS

1. Entrance Pavement Reconstruction and Compost Pad HMA Restoration (2022)
2. Compost and Leachate Pond Testing (2022)

Cost/Funding:

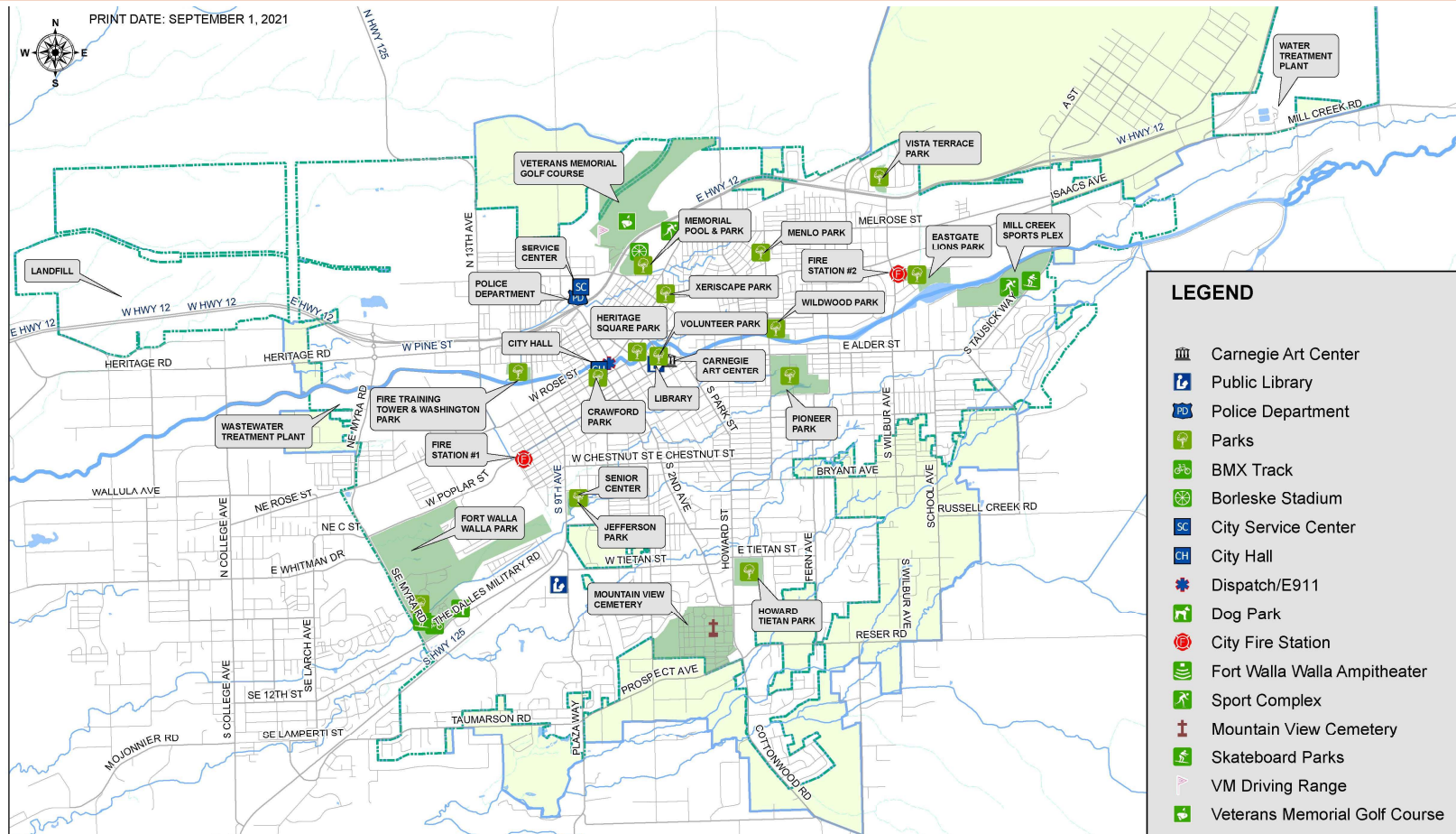
- \$2,025,000 landfill Fund



PUBLIC WORKS CAPITAL PROJECT FINANCIALS

FUNDING SOURCE	2022 FUNDING AMOUNT	2023 FUNDING AMOUNT
TRANSPORATION	\$ 525,000	\$ 405,000
REAL ESTATE EXCISE TAX (REET)	\$ 425,000	\$ 130,000
TRANSPORTATION BENEFIT DISTRICT (TBD)	\$ 2,890,000	\$ 0
INFRASTRUCTURE REPAIR & REPLACEMENT PROGRAM (IRRP)	\$ 3,789,000	\$ 5,761,000
WATER FUND	\$ 4,331,000	\$ 4,416,000
WASTEWATER FUND	\$ 8,428,000	\$ 3,215,000
STORMWATER FUND	\$ 556,000	\$ 887,000
GENERAL FUND	\$ 10,000	\$ 10,000
LANDFILL	\$ 1,950,000	\$ 75,000
SANITATION	\$ 100,000	\$ 400,000
TOTAL	\$ 23,004,000	\$15,299,000
GRANTS	\$ 7,721,000	\$ 3,779,000

FACILITIES MAP





A WONDERFUL PLACE TO **LIVE WORK PLAY**

FACILITIES PROJECTS & FINANCIALS

		2022 General Fund	2022 ARPA
• Senior Center Parking Lot Reconstruction – 2022			
• Heritage Park – Central Plaza Construction – 2022	Facilities	\$ 10,000	\$ 530,000
• Mill Creek Sportsplex Parking Expansion and Pickleball Courts – 2023	Fire Department	\$ 0	\$ 640,000
• City Hall Structural Retrofit/Roof Repl. – 2023	Library	\$ 0	\$ 30,000
• Library Addition/Remodel – 2024 (Grant Dependent)	Parks & Recreation	\$ 30,000	\$ 2,100,000
	Police Department	\$ 0	\$ 0
	Totals	\$ 40,000	\$ 3,900,000

QUESTIONS?



ar-4357

45 Mins.

City Council - Work Session

Meeting Date: 11/15/2021

Item Title: Water/Wastewater Financial Plan Presentation

Submitted For: Ki Bealey, Public Works Department

Add'l Contributors:

Project No: n/a

Funding/BARS No.: n/a

Financial Comments:

Why is it necessary to do financial planning and set water and sewer rates?

1. To meet regulatory requirements. These are requirements set at the state, and federal level to keep us safe and to protect the environment.
2. To keep up with inflation. Cost of labor, fuel, equipment, materials, construction, etc.
3. To fund capital improvements necessary to provide critical utility services.

Information

HISTORY:

Current:

Presenting recommendations for the 2022-2027 Water and Wastewater Financial Plans.

History:

The last financial plan for the water, wastewater, and stormwater funds was developed in 2015 and adopted by Council on December 2, 2015 (Ordinance 2015-31). The ordinance set forth rates and fees for the three funds from 2016 through 2021. In 2017, the water and wastewater rates were updated to convert consumption units from 100 cubic feet (CCF) to gallons for usage (Ordinance 2017-40).

On October 28, 2020, Council passed Resolution 2020-108 authorizing the City Manager to execute a professional services contract with FCS Group to prepare financial plans for the water, wastewater and stormwater utilities. The goal of this planning effort is to set funding levels and utility rates for the next four to six years based on a comprehensive financial model.

Key elements of the recommended 2022-2027 plan for Water:

1. Continues the allocation of approximately \$1M per year towards non-IRRP eligible water main replacement/upgrades. This level of funding was established with the 2015 plan. This will continue the City's commitment towards achieving the state's mandate of 10% water loss (WAC 246-290-820), follows the City's adopted Water Use Efficiency Goals (Resolution 2016-096), and the water loss control action plan included in the City's adopted (and regulatory required), Water System Plan (Resolution 2020-82).
2. Provides approximately \$1M for planning projects and \$20M for water treatment, supply (including wells), and storage capital improvements.
3. Improves fairness and equity in cost recovery by phasing in cost-of-service adjustments over the 6-year

period.

4. Encourages conservation through increased consumption charges.
5. Provides funding for two additional positions in water. One in treatment to assist with lead testing mandates and well readiness, and one in distribution to assist with leak detection, meter testing, and valve exercising.
6. Continues funding for the City's Infrastructure Repair and Replacement Program (IRRP).
7. Increases Capital Facilities Charges by 3.63% per year to account for the construction cost of inflation.

Key elements of the recommended 2022-2027 plan for Wastewater:

1. Provides approximately \$13M necessary to increase BOD treatment capacity and make other improvements at the City's wastewater treatment plant to maintain permit compliance in accordance with the City's amended General Sewer Plan (Resolution 2021-137).
2. Continues the City's planned replacement/rehabilitation of the sewer connection system established by the 2015 General Sewer Plan (Resolution 2015-129), committing approximately \$12M towards sewer line replacement and lining projects.
3. Continues the City's Fats, Oils, and Grease program.
4. Improves fairness and equity in cost recovery by phasing in cost-of-service adjustments over the 6-year period.
5. Adds a new high strength user class for wastewater users that discharge BOD concentrations greater than 300 mg/l and use 120,000 gallons or more water per year.
6. Continues funding for the City's Infrastructure Repair and Replacement Program (IRRP).
7. Increases Capital Facilities Charges by 3.63% per year to account for the construction cost of inflation.

New/additional key elements of this 2021 plan (2022-2027) include capital facilities planning from:

1. The Water System Master Plan Update (regulatory requirement) – Adopted by Council August 12, 2020.
2. America's Water Infrastructure Act: Risk assessment and emergency response plan (federal mandate) – June 25, 2021.
3. Well Master Plan – Adopted by Council August 25, 2021.
4. General Sewer Plan Addendum (regulatory requirement) – Adopted by Council October 13, 2021.

Meetings:

October 6, 2021: Staff and FCS presented options and recommendations to the Water/Wastewater/Stormwater Advisory Committee for review and discussion (AC meeting #1).

October 7, 2021: Staff and FCS presented options and recommendations to the Council Finance Committee for review and discussion (FC meeting #1).

October 14, 2021: Follow-up discussion with the Water/Wastewater/Stormwater Advisory Committee (AC meeting #2).

October 21, 2021: Follow-up discussion with the Council Finance Committee (FC meeting #2).

October 25, 2021: Council Work Session Presentation #1.

October 28, 2021: Follow-up discussion and recommendations from the Water/Wastewater/Stormwater Advisory Committee (AC meeting #3).

November 4, 2021: Follow-up discussion and recommendations from the Council Finance Committee (FC meeting #3).

Staff has also held three webinar/work sessions with high strength users to inform them of the BOD loadings at the wastewater treatment plant and to gain feedback on options to permitting high strength users. Those meetings were held June 30, 2021, August 19, 2021, and the last will be held on November 16, 2021.

Next Steps:

November 29, 2021, Work Session - Planned review of proposed changes to Walla Walla Municipal Code sections 13.03 and 13.30.

December 1, 2021 Meeting - Consider adoption of the 6-year Capital Facilities Plan; edits to municipal code pertaining to wastewater; and the setting of water and wastewater rates for 2022-2027.

POLICY ISSUES:

Customer rates, charges, and fees provide revenue to operate and maintain the utilities, provide funding for capital projects, and to ensure funding is sufficient for debt obligations. Utility rates are set to, "...provide sufficient funding to allow communities to build, operate, maintain, and reinvest in the water system that provides the community with safe and reliable drinking water and fire protection." (Water Rates, Fees, and Charges – American Water Works Association)

Rates are set by Council in accordance with RCW 35.67.020 and RCW 35.92.010.

The City has an obligation to provide reliable utility services, at a standard that at least meets state and federal requirements.

There are multiple policy considerations when it comes to setting rates and fees such as:

- Setting rates to reflect cost of service.
- Setting Capital Facilities Charges to recover a proportionate share of system costs from new or upsized water and sewer connections.
- Maintaining reserves to protect the utilities from anticipated and unanticipated variations in revenues and/or expenses.
- Etc.

PLAN COMPLIANCE:

STRATEGIC PLAN:

Strategic Initiative 2: Fix and Improve the City's Infrastructure.

Objectives:

1. Use technology to provide better service and to improve management of operations
2. Continue work on the City's Transportation Network (e.g. streets, sidewalks, bridges, etc.)
4. Maintain City Buildings and Facilities

Strategic Initiative 5: Achieve organizational and city resiliency

Objectives:

1. Long-term financial planning - for the organization (Short Term)
3. Environmental resiliency planning and preparation (Long Term)
4. Emergency Management planning and preparation (Long Term)

COMPREHENSIVE PLAN:

Land Use Goal 1 Walla Walla grows in a responsible way that maintains or improves the quality of life for its residents.

LU Policy 1.1 Accommodate new residential and commercial development in areas with available infrastructure and services.

LU Policy 1.2 Annex and provide services to all lands within the Urban Growth Area.

Land Use Goal 2 Walla Walla coordinates with neighboring communities and state agencies for the improvement

of the region.

LU Policy 2.7 Continue coordination with the Confederated Tribes of the Umatilla Indian Reservation, the Army Corps of Engineers, and Walla Walla County Flood Control District to restore Mill Creek.

Economic Development Goal 2 Walla Walla has high-quality infrastructure to support economic development.

ED Policy 2.1 Provide the infrastructure needed for business and industries to locate in Walla Walla, including utilities, transportation connections, and suitable land capacity.

Environment and Natural Resources Goal 1 Water, air, and soil resources in Walla Walla are protected.

ENR Policy 1.1 Implement best management practices, where feasible, to ensure protection of surface and groundwater resources and ecosystems in locations where roadway and highway construction projects are occurring.

ENR Policy 1.6 Preserve and protect healthy mature trees in the community to the greatest extent possible, and promptly plant replacements when they cannot be saved.

ENR Policy 1.8 Protect the community from hazards, including, but not limited to, earthquakes, severe storms, wildfires and flooding.

ENR Policy 1.10 Plan for the anticipated impacts of climate change, and participate in broader efforts to minimize climate change.

Environment and Natural Resources Goal 3 Restore Mill Creek to a natural ecosystem and improve fish habitat while recognizing the vital flood control functions of the channel.

Capital Facilities and Utilities Goal 1 Walla Walla's capital facilities and utilities are well maintained and up-to-date to meet the demands of growth and economic development.

CFU Policy 1.1 Maintain updated plans for the provision of public utility services.

CFU Policy 1.2 Monitor all public or private water systems; regularly maintain public systems.

Capital Facilities and Utilities Goal 5 The sound fiscal management of government services and facilities promotes a transparent and collaborative relationship between government and residents.

CFU Policy 5.1 Plan for rehabilitation of the City's utility infrastructure to ensure safe, reliable, and efficient service.

CFU Policy 5.3 Anticipate and control demand for services to ensure that the City can maintain an appropriate level of service within its financial resources while serving new growth.

ALTERNATIVES:

Staff developed multiple alternatives for Council's consideration - see presentation.

Recommendations from the Water/Wastewater Citizen Advisory Committee and the Council's Finance Committee are included in the presentation.

CITY MANAGER COMMENTS:

Approved for Council work session discussion.

Attachments

White Paper on water/ww rates

Presentation

Advisory Committee Recommendations

White Paper on Water and Sewer Rates – November 12, 2021

Why is it necessary to do financial planning and set water and sewer rates?

- To meet regulatory requirements. These are requirements set at the state, and federal level to keep us safe and to protect the environment.
- To keep up with inflation. Cost of labor, fuel, equipment, materials, construction, etc.
- To fund capital improvements necessary to provide essential utility services.

Background

In the past, the City of Walla Walla has not consistently prioritized investments in its infrastructure; this has been a common issue across the country, especially for older cities.

The City is obligated to provide reliable utility services at a standard that meets state and federal requirements. Customer rates, charges, and fees provide the revenue necessary to operate and maintain Walla Walla's utilities, to fund capital projects, and to ensure sufficient funding for debt obligations

Utility rates are set by Council to provide funding to build, operate, maintain, and reinvest in the water and sewer systems to provide safe and reliable drinking water and fire protection and to collect and treat wastewater to meet national discharge standards.

Water

Walla Walla's water-supply system includes a large quantity of pipes that are decaying and leaking. State regulations require the City to have and follow a water loss control action plan, working toward a goal of a reduction in water loss to 10% or less. In Walla Walla, replacement of failing pipes has resulted in a downward trend in water loss from 34.5% in 2010 down to 17.4% in 2020.

Water capital projects planned from 2022-2027 include water main replacements, well improvements, maintenance of storage tanks, replacement/rehabilitation of facilities at the Water Treatment Plant, and projects at the Mill Creek Watershed. Along with planning costs, this work is projected to require \$27,889,000 in funding over the next six-years.

The recommended Water Financial Plan would result in 3-3.5% rate increases per year for the water utility. These increases are driven by inflation and to generate cash for capital projects and related debt service.

Wastewater

The City's wastewater (sewer) system includes aging, sagging, undersized, and/or cracking pipes, which can lead to failures and backups. Failing sewer pipes are lined where conditions allow or replaced when necessary.

Moving forward, the City needs to keep fixing/replacing pipes and upgrade the Wastewater Treatment Plant's capacity to treat wastewater.

Wastewater capital projects planned from 2022-2027 include upgrades at the Wastewater Treatment Plant to maintain compliance with state and federal regulations and to continue replacing/rehabilitating the City's piping network. This work is projected to require \$25.3 million in funding over the next six-years.

To meet those funding needs, 2.5% annual rate increases are needed to keep up with inflation and generate cash for capital projects and debt obligations.



2021 Utility Rate & CFC Update



Chris Gonzalez, Senior Project Manager
John Ghilarducci, Principal
November 15, 2021

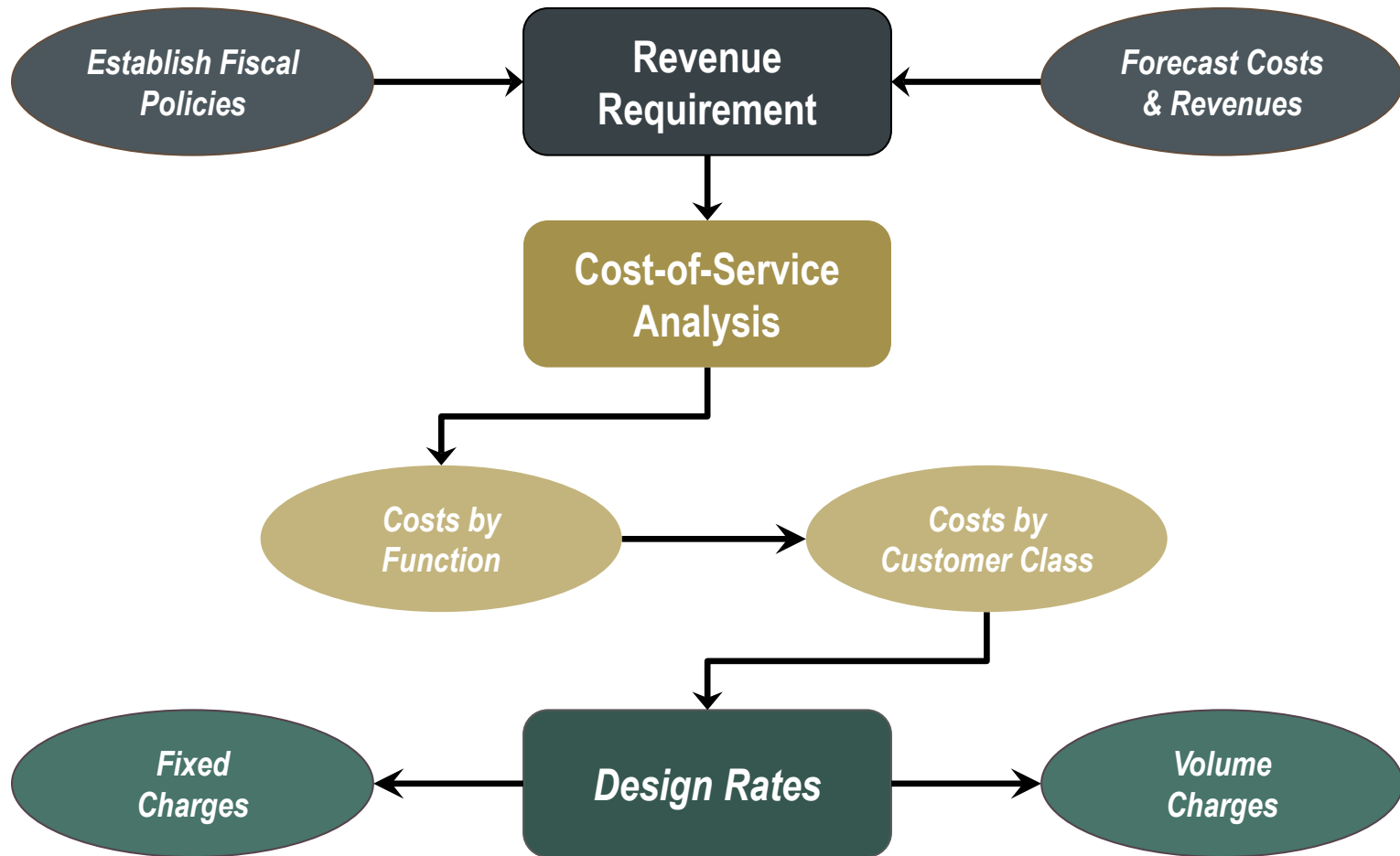


Agenda

- **Overview of Rate Study Methodology**
- **Key Assumptions**
- **Summary of Findings and Recommendations**
 - » Water Rate Analysis
 - » Wastewater Rate Analysis
- **Questions/Discussion**



Overview of the Utility Rate Study Process





Key Assumptions

Annual Cost Inflation

- General (CPI): 3.0%
- Labor: 2.0 – 2.5%
- Benefits: 6.0%
- Construction Costs: 3.0%

Operating Forecast

- Generally based on 2021-22 Budget
- Taxes calculated on projected revenues

Annual Growth Rates

- Customer Growth: 0.5% per year
 - » ≈ 70 – 80 equivalent units per year

Reserve Policies

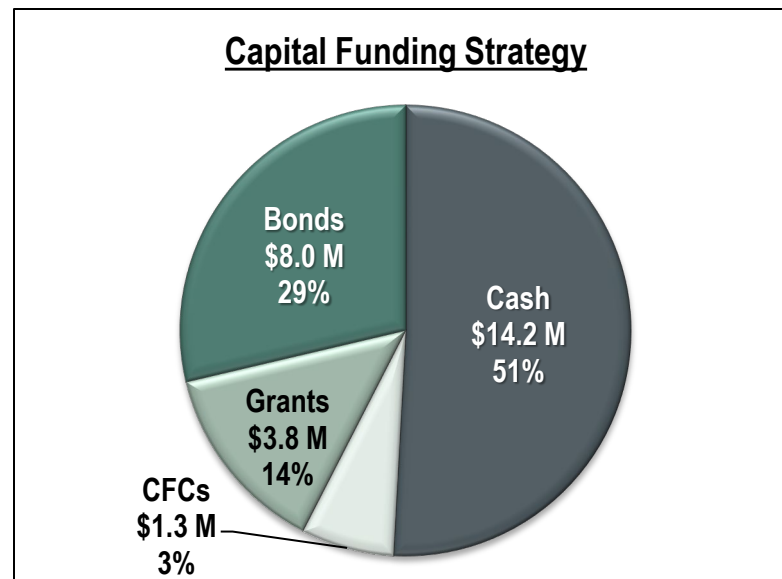
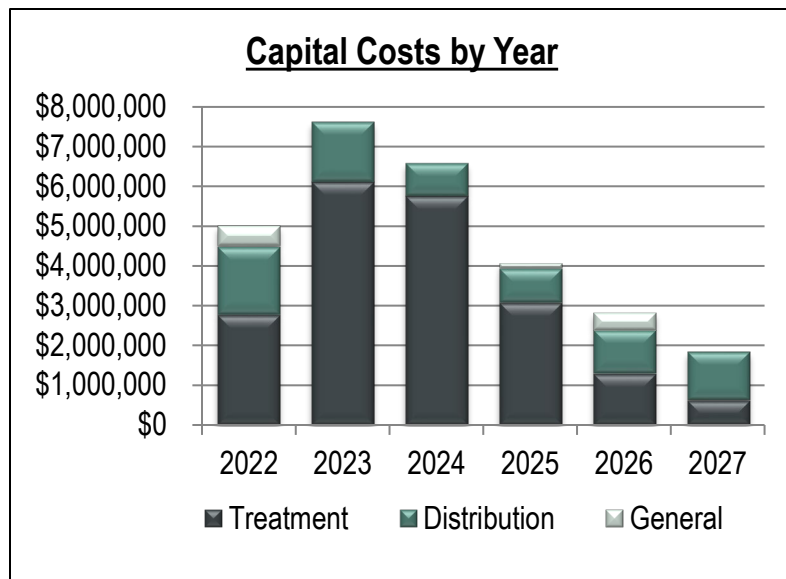
- Minimum balance maintained as greater of \$500,000 or 10% of O&M plus debt service
 - » Water: \$1.4 million based on 2021 Budget
 - » Stormwater: \$500,000 (minimum)
 - » Wastewater: \$1.0 million based on 2021 Budget

Water Rate Analysis





Water Capital Needs Forecast



- **\$27,889,000 in capital projects from 2022 – 2027**
 - » Supply/Treatment: \$19,560,000
 - » Distribution: \$7,242,000
 - » Planning/General: \$1,087,000
- **Grants and cash resources expected to cover 71% of the projected cost**
 - » Remaining 29% funded by \$8.8 million bond (to provide \$8.0 million in net proceeds)
 - Expected to increase annual debt service by \$647,000



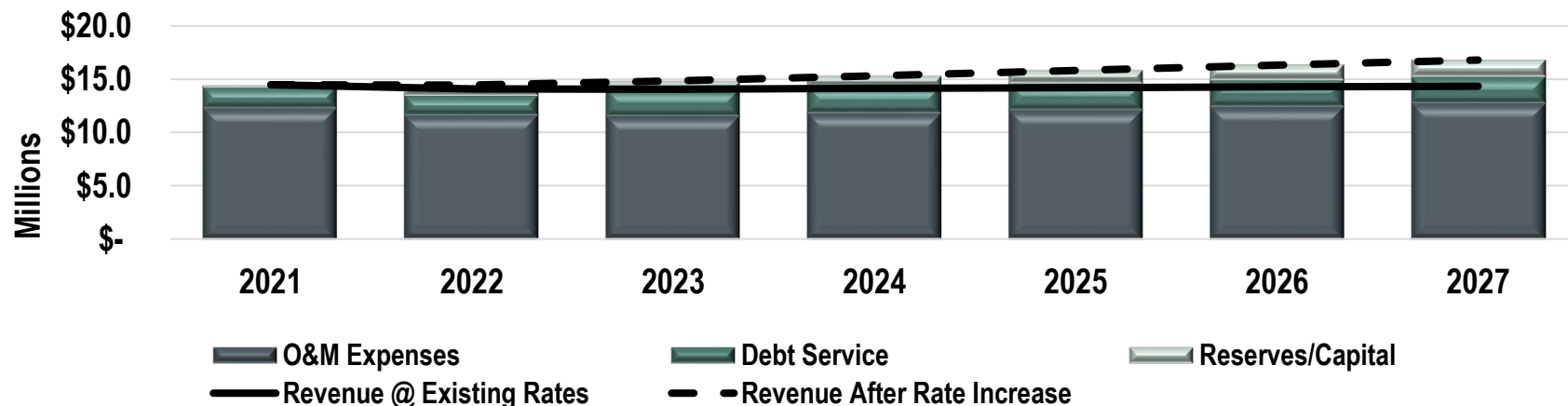
Water Financial Plan Scenarios

Scenario	Description	Monthly Residential Water Bill @ 15 ccf					
		2022	2023	2024	2025	2026	2027
Existing Rates	Currently adopted rates (2021)	\$75.80	\$75.80	\$75.80	\$75.80	\$75.80	\$75.80
Recommended CIP	No changes to O&M; CIP as recommended	+\$2.29	+\$4.62	+\$6.61	+\$8.63	+\$10.30	+\$12.14
Delayed CIP	Delay \$8.8 million of capital spending to after 2027	+\$0.71	+\$1.58	+\$2.30	+\$3.03	+\$3.91	+\$4.64
Additional FTE (Treatment)	Add 1 FTE @ \$105,000 to meet LOS recommendation for wells	\$0.00	\$0.00	+\$0.37	+\$0.90	+\$1.83	+\$1.70
Additional FTE (Distribution)	Add 1 FTE @ \$106,000 for valve turning program	\$0.00	\$0.00	+\$0.37	+\$0.90	+\$1.83	+\$1.70

Recommended by the Water/Wastewater Advisory and Finance Committees

- **Adjustments to 2022 – 2027 CIP for ‘Delayed CIP’ Scenario:**
 - » Keep participation in IRRP/TBD projects
 - » Include only one other distribution project due to likelihood of failure
 - » Prioritize critical/regulatory supply/treatment projects (other assets can run to failure)

Proposed Water Financial Plan



Water Financial Plan	Existing	Proposed						
	2021	2022	2023	2024	2025	2026	2027	Cumulative
Annual Revenue Increase		3.5%	3.5%	3.5%	3.5%	3.5%	3.0%	22.3%
Monthly Base Rate (3/4" Meter)	\$41.30	\$41.30	\$41.30	\$41.30	\$41.30	\$41.30	\$41.30	
Consumption Charge @ 11,000 Gal.	33.83	36.63	38.94	41.36	44.00	46.20	46.86	
Monthly Residential Bill @ 11,000 Gal.	\$75.13	\$77.93	\$80.24	\$82.66	\$85.30	\$87.50	\$88.16	
Change From Prior Year		+\$2.81	+\$2.31	+\$2.42	+\$2.64	+\$2.20	+\$0.66	+\$13.04

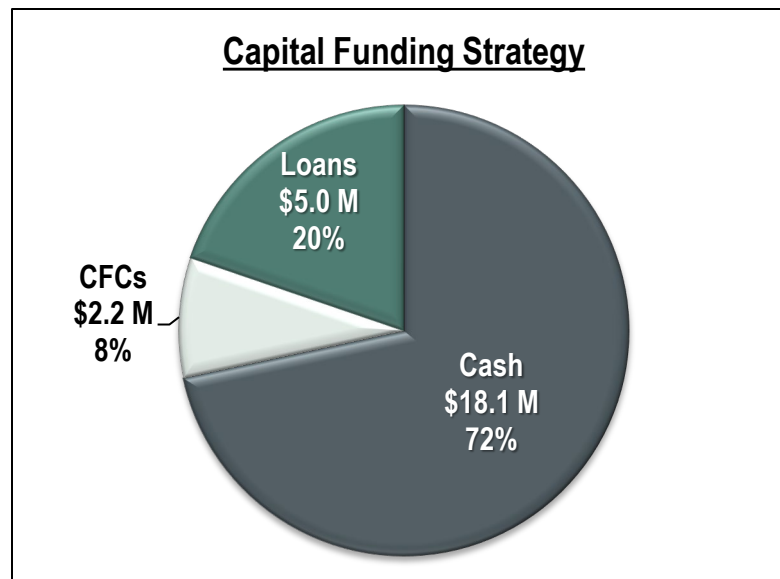
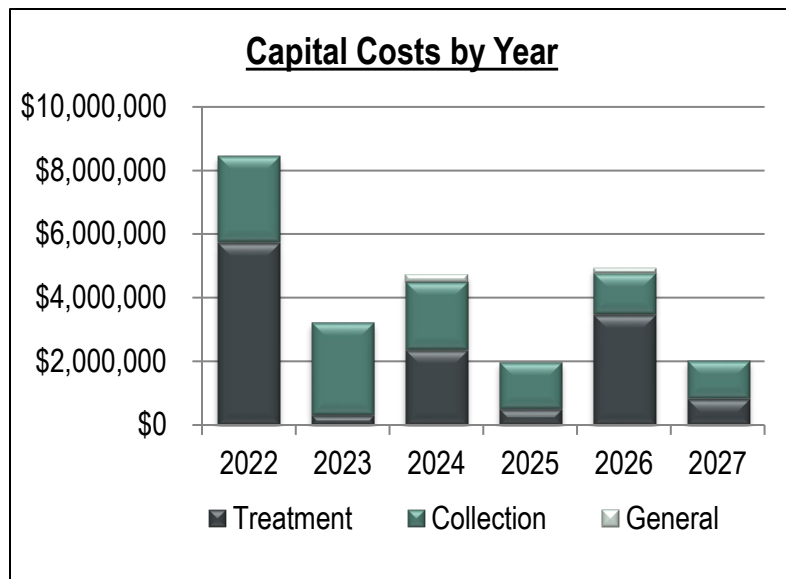
- **Rate increases reflect W/WW Advisory and Finance Committee recommendations**
 - » Fund recommended CIP, add FTEs for water distribution and water treatment
- **Cost-of-service correction phased over six years**
 - » Utility tax increase from 13.0% to 15.1% phased from 2023 – 2027

Wastewater Rate Analysis





Wastewater Capital Needs Forecast



- **\$25,307,000 in capital projects from 2022 – 2027**
 - » Treatment: \$13,152,000
 - » Collection: \$11,730,000
 - » Planning/General: \$425,000
- **Cash resources expected to cover 80% of the projected cost**
 - » Remaining 20% funded by \$5.0 million PWTF Loan
 - Expected to increase annual debt service by roughly \$300,000



Wastewater Financial Plan Scenarios

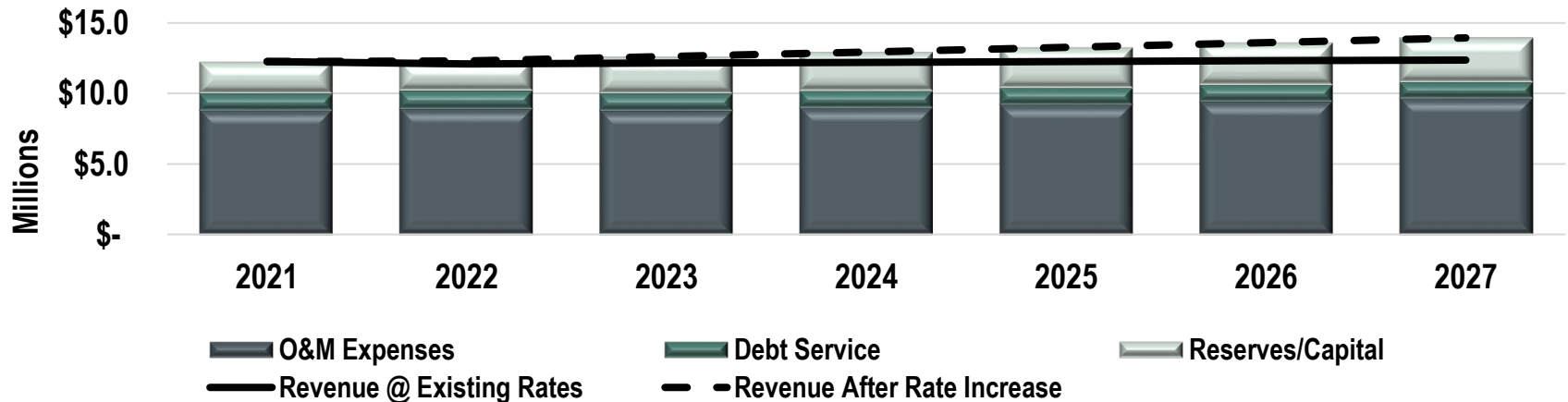
Scenario	Description	Monthly Residential Wastewater Bill					
		2022	2023	2024	2025	2026	2027
Existing Rates	Currently adopted rates (2021)	\$58.60	\$58.60	\$58.60	\$58.60	\$58.60	\$58.60
Recommended CIP	No changes to O&M; CIP as recommended	+\$1.17	+\$2.37	+\$3.59	+\$4.83	+\$6.10	+\$7.39
<i>Delayed CIP</i>	<i>Delay \$7.2 million of capital spending to after 2027</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>
<i>Suspend FOG Program</i>	<i>Remove budgeted FOG program costs</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>-\$0.31</i>	<i>-\$0.62</i>	<i>-\$0.95</i>	<i>-\$1.28</i>

Recommended by the Water/Wastewater Advisory and Finance Committees

- **Adjustments to 2022 – 2027 CIP for ‘Delayed CIP’ Scenario:**
 - » Keep participation in TBD projects, including one other collection project due to likelihood of failure
 - » Reduces other collection project funding to \$600,000 per year
 - » Treatment projects reduced to the maximum extent possible
 - » General projects already reduced to the extent possible (regulatory and financial planning only)



Proposed Wastewater Financial Plan



Wastewater Financial Plan	Existing	Proposed						
	2021	2022	2023	2024	2025	2026	2027	Cumulative
Annual Revenue Increase		2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	15.4%
Monthly Residential Bill	\$58.60	\$59.82	\$62.22	\$64.09	\$65.84	\$67.40	\$68.69	
Change From Prior Year		+\$1.22	+\$2.40	+\$1.87	+\$1.75	+\$1.56	+\$1.29	+\$10.09

- **Rate increases reflect W/WW Advisory and Finance Committee recommendations**
 - » Fund recommended CIP, retain FOG program funding in operating budget
- **Cost-of-service correction phased over six years**
 - » Utility tax increase from 13.0% to 15.1% phased from 2023 – 2027



Customer Bill Summary

	Existing (2021)	2022 Proposed	2023 Proposed
Sanitation (96-Gallon)	\$ 25.20	\$ 25.80	\$ 26.50
Solid Waste Collection Tax	0.91	0.93	0.95
Recycling (96-Gallon, Every Other Week)	5.67	6.01	6.37
Recycling Commodities Surcharge	1.34	-	-
Stormwater	13.40	13.40	13.40
Water (@ 11,000 Gallons per Month)	75.13	77.93	80.24
Wastewater	58.60	59.82	62.22
Ambulance	-	-	12.65
Total	\$180.25	\$183.89	\$202.33
Change From Prior Year		+\$3.64	+\$18.44
Percent Change From Prior Year		+2.0%	+10.0%



Summary of Recommendations

- **Water Rates: Increases of 3.0 – 3.5% per year, phase to COS over 6 years**
 - » Phase in utility tax increase to offset increase in City water costs from 2023 – 2027
 - » Mill Creek Glen: Continue refining estimated cost of service, inform customers of coming changes/explore transfer of ownership, develop recommendation in 2022
- **Wastewater Rates: Increases of 2.0 – 2.5% per year, phase to COS over 6 yrs.**
 - » Create high-strength user category (BOD > 300 mg/L, usage > 120,000 gallons/year)

- **CFCs:**

CFC per ME/ERU	Existing	Proposed					
	2021	2022	2023	2024	2025	2026	2027
Water	\$4,400	\$4,560	\$4,725	\$4,896	\$5,074	\$5,258	\$5,449
Wastewater	\$4,400	\$4,560	\$4,725	\$4,896	\$5,074	\$5,258	\$5,449
Total	\$8,800	\$9,119	\$9,450	\$9,793	\$10,148	\$10,516	\$10,897

- » Index CFCs annually using 6-year average of ENR CCI (20-city average, Sep. to Sep.)
 - Sep. 2015 – Sep. 2021 Average Annual Inflation: \approx 3.63% per year
 - » Recalibrate every 6 years
- **Stormwater Rates: Updates in process; no rate increases needed at this time**

Thank You! Questions?

John Ghilarducci
Principal
(425) 336-1865
johng@fcsgroup.com

Chris Gonzalez,
Senior Project Manager
(425) 502-6280
chrisg@fcsgroup.com

www.fcsgroup.com



Water and Wastewater Advisory Committee Meeting Minutes

Thursday, October 28, 2021 – 4:00 p.m. (Special Meeting Part 3)

Hybrid Meeting (Service Center Conference Room & Zoom)

Members Present: Scott Byerley, Amanda Nelson, David Haire, William Allen

Members Absent: Tim Anderson, Blair Burroughs

Staff Present: Ki Bealey, Frank Nicholson, Tom Krebs, Shane Prudente, Jason Mings, Rose Pingree, Nathan Black

Council Present: Ted Koehler

Public Present: Willy Breshears, Dara Osborne

1. **Call to Order** – Ki called the meeting to order at 4:04 p.m.

2. **Welcome**

3. **Active Agenda**

a. **John DeLong's Resignation** – Ki informed the group that John had resigned as of last Wednesday and deferred to the group to nominate a new chair and co-chairperson. Amanda volunteered as co-chair and to run this meeting. Ki suggested when the entire committee is back that the group resume nominations and vote in a chairperson moving forward. The group was all in favor of Amanda as co-chair.

b. **Water Rates** – Ki led the discussion by commenting on outreach and education, which was asked about in the prior meeting. Ki pointed out there is a water brochure in both English and Spanish on the City's website that was mailed to all customers back in 2016. He thought it would be a good idea to update the brochure. Amanda has some background in this area and has offered her expertise if needed. Ki then summarized the following items that were voted on by the committee:

I. **Recommended CIP option or delayed CIP option?** Dave made a motion for the recommended CIP option (without delays). Amanda seconded. Including Blair's written vote (read by Frank). All were in favor of a recommendation for the recommended CIP option. None opposed.

II. **Add an additional Water Treatment employee?** (Position will help support well maintenance/readiness, new lead testing requirements, and succession planning of near-term retirements) Frank read Blair's

comments in favor of adding an additional Water Treatment Operator and William agreed. Amanda took Blair's comment as a motion to approve adding the additional employee. William seconded. All were in favor. None opposed.

- III. Add an additional Water Distribution employee?** (Position will support distribution system valve maintenance, meter maintenance/testing, leak detection, etc.) Amanda asked for a motion and second regarding adding a Water Distribution employee. Blair's suggestion (read by Frank) was to defer this hiring for two or three years until the impact of the new hire in operations can be assessed. William questioned not approving, mentioning the City has made good progress on reducing leaks in the system and wonders what the impact of not hiring someone would be. Frank advised it would definitely slow the progress and that currently we have not been doing enough leak detection. William suggests, based on the numbers Walla Walla is seeing, that we seriously need to improve and that we are in need of corrections in order to be in line with our peers in the country. William stated he feels we do need this position. Dave agreed with William. Dave made a motion to support the additional FTE for distribution. William seconded. Three were in favor. two opposed. (Note: it was assumed by Blair's comment to defer hiring, he was in opposition). Motion carried.
- IV. Discuss cost-of-service and phasing. Any adjustments recommended, for example, extend phase-in period?** Ki asked to defer this discussion as it largely only pertains to city specific water rates.

- c. Water – Establish separate rates for the Mill Creek Glen satellite system?** Blair's comments, read by Frank, suggested this be reviewed by the City Attorney as he believes the City is prohibited by our State Constitution for making a gift of public assets. Dave advised he also believes the City Attorney needs to be consulted. He advised if this is a separate water system, operated by the City of Walla Walla, in Oregon, he feels we need to consider the safe drinking water act and that the users could possibly hold the City liable if something was to happen to the system and a problem occurred that caused poor water quality. He personally feels the City should divest itself from this separate system in its entirety as quickly as possible. Amanda agreed with Dave. It was noted by Ki that there have been previous discussions with the City Attorney, and we are trying to move in a direction where we lay it all out so we can come to a decision. Dave made a motion to divest ourselves from the Mill Creek Glen system. Scott seconded. All were in favor. None opposed.

d. Wastewater Rates –

- I. Recommended CIP option or delayed CIP option?** Frank read Blair's comments that he was in favor of the recommended CIP option. Dave made a motion in favor of the recommended CIP option (without delays). William seconded. All were in favor. None opposed.
- II. Suspend the FOG program or not?** Blair suggests (comments read by Frank) to continue with the FOG program. William suggested continuing

the education program. Dave made a motion to suspend the program. Scott seconded. None in favor. All opposed.

- III. Discuss cost-of-service and phasing. Any adjustments recommended, for example, extend phase-in period?** Ki summarized the Wastewater allocation of cost to customer class. Dave motioned in favor of the cost-of-service proposed rates at the six-year phase-in as proposed by FCS. Scott seconded. All were in favor. None opposed.

- e. Water/Wastewater Capital Facilities Charges (CFCs) – Proceed as recommended or?** (For example, Blair recommended increasing the Wastewater CFC more aggressively) Ki summarized the CFC's and proposed rates by the FCS Group. Frank read Blair's recommendation of increasing the CFCs at a more aggressive rate. Dave made a motion to use the average annual inflation rate of 3.63% and increase the CFCs at that rate until 2027. Scott seconded. All were in favor. None opposed.

5. Other Business – None

6. Next Meeting date – November 17, 2021

Adjourned meeting at 5:22 p.m.